The COMMERCIAL and FINANCIAL CHRONICIAL CHRO

Volume 194 Number 6084

New York 7, N. Y., Thursday, August 24, 1961

Price 50 Cents a Copy

Editorial AS WE SEE IT

Ever since the end of World War II we have been spending vast sums of money for foreign aid of one sort or another. President Kennedy is asking for a very substantial enlargement of these contributions. Although it is not wholly clear how much he will get there is little doubt that substantial increases are to be expected for some years to come. Yet at times one is obliged to wonder whether anyone in authority has ever sat down and seriously formulated our objectives even in his own mind. We are, of course, glib enough in saying that what we are doing is alleviating hardships, appeasing hunger, and in general making life a little more bearable for many of the "underprivileged" of the world in the hope that in this way we shall be able to halt the spread of communism. This, however, is hardly a satisfactory account.

It would be a good thing if we took the trouble to consider precisely what is causing the turbulence in so many areas of the world and what can be done and ought to be done to remedy the situation. Under Secretary of State Chester Bowles, who recently returned from a flying trip to many parts of the world has just paid his respects to the notion that we can buy friends or bribe peoples to reject communism. These are his words: "We could buy United Nations votes with aid. We could think that if the people are full of rice they will support the *status quo*, but, then, we shall only have more muscular Communism." There may be, there probably is, a good deal of substance in what Mr. Bowles has to say on the subject.

"The Tide of History"

But the Under Secretary is not content to confine himself to this essentially negative warning. On the contrary he asserts that "throughout the non-communist world the tide of history is now running with flood force: for self-government, for economic justice, for racial equality." He then adds that "these are the principles which we must support, morally, because (Continued on page 25)

The C. E. D. Commission's Report On Money and Credit Analyzed

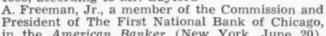
By Walter E. Spahr, Executive Vice-President, Economists' National Committee on Monetary Policy, Professor Emeritus of Economics, New York University

Dr. Spahr, alleging inappropriateness of reporting group's assumption of term "Commission," criticizes its shunning of expert participation. Scores advocacy of additional "Keynesian devices" for governmental economic management, including repeal of reserve requirements along with over-all impairment of Federal Reserve System's independence from political domination. Warns of resulting reduction of U. S. currency to "hollow shell of unsupportable paper". Cites Keynes' "more responsible" 1920 suggestion: "No order of society perishes save by its own hand."

The Nature of the Commission

"The Commission on Money and Credit," according to a *Summary* in a special section of *The New York Times*, June 25, 1961, p. 2, inserted by Representative Abraham Multer of Brooklyn in the *Congres*-

sional Record of July 13, pp. 11618-11631, "was established in 1957 by the Board of Trustees of the Committee for Economic Development [C. E. D.] to study public and private financial institutions of the United States." Mr. Frazer B. Wilde, Chairman of the Commission and also of the Board of the Connecticut Life Insurance Co., states in the Summary that it contains all the recommendations of the Commission's Report. Apparently the formation of the Commission was completed in May, 1958, according to Mr. Gaylord



p. 7. Mr. Freeman's account of the Commission was also inserted by Representative Multer in the Congressional Record of July 13, pp. 11615-11618.

Financial support for the Commission's effort, according to Mr. Wilde (Summary, p. 3), came from "The Ford Foundation, the Merrill Foundation, and the Committee for Economic Development." More specifically, according to Mr. Freeman in the American Banker for June 21, p. 8, The Ford Foundation supplied \$1.3 million, and the Merrill Foundation \$35,000. The front flap of the Commission's book, Money and Credit, Their Influence on Jobs, Prices, and Growth: The Report of the Commission on Money and Credit (Prentice-Hall, Inc., Englewood Cliffs, N. J., 1961), 282 pp., states that the Report was financed "by grants totaling nearly a million and a half dollars from the Ford Foundation and Merrill Foundation as well as the Committee for Economic Development." 1

Although the word "commission" may apply to a private arrangement, such as commissioning an artist to paint a picture, or to a government commission, such as the National Monetary Commission appointed under the Aldrich-Vreeland Act of 1908, the Commission on Money and Credit was initiated by the C.E.D., and was a private undertaking in nature. For this reason, it should have been more appropriate, because less misleading, had the word "commission" not been employed since, in the field of money and credit, the term is commonly associated with a government commission.

The C.E.D. was organized in 1942, by Mr. Paul Hoffman for the announced purpose of recommending ways to smooth the transition from World War II to peacetime activities after which it was to disband. But for other reasons it has continued its activities in the fields of economics and government

It is commonly regarded as wise, and as necessary in the field of science, (Continued on page 20)

1 Quotations by permission.

(Continued on page 25) in the American Banker (New York, June 20), 1 Quotati

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HERBERT E. HARRIS

Investment Securities, Dayton, Ohio

River Brand Rice Mills, Inc.

have air, water—and food. The most highly consumed food throughout the world is—rice. Per

capita annual consumption in the United States ranges from a minimum of 2 pounds to 40 pounds. But, in other countries, it ranges from 60 pounds to as high as 400 pounds Asiatic countries. Therefore: given a successful processor and

marketer of such a necessary product-a product which will always be in demand regardless of all else-should prove a profitable investment providing a dependable and satisfactory income which should steadily increase.

River Brand Rice Mills, Inc. was These areas born in 1946 through consolidation have been relof several milling companies and atively overa packaging-marketing company; looked, yet the oldest of which is 50 years and offer real at-The Nomura Securities Co., Ltd. each of which has been profitable traction to since its founding. River Brand those percep-Rice Mills, Inc. is one of our tive individuals with the valuelargest millers and distributors of oriented approach to securities. rice and is first in packaged rice sales. Its famous brand names are; Aunt Caroline, River Brand Brown Rice, River Brand White Rice and Carolina Brand Rice.

The Company's 1960 Annual Report showed assets in excess of \$9 million of which current assets were close to \$6 million vs. less than \$2 million current liabilities: a very favorable three to one ratio. The only debt is a long term note in the amount of \$960,000. The Company has no bonds nor preferred stock. In 1960 net sales exceeded \$31 million; 37% over 1951. Net earnings per share increased 40% and dividends increased 38% in the past ten year period. 1960 fiscal year earnings were \$2.61 a share and are expected to be about \$2.80 for the 1961 fiscal year. In 1951 the annual dividend was 87 cents a share and has been as high as \$1.50 since then. Current annual dividend is a share. It is more likely that the dividend will be increased and a reasonable guesstimate is back to \$1.50 a share.

As the stock is available at about \$30 a share, the current yield is about 4%. At \$1.50 dividend it would be 5%. The stock is selling at less than 12 times earnings and the dividend is only hold paints, enamels, wall finishes,

Supplementing its large do- 59% of total sales. mestic business is a substantial than compensating for it.

(This is under no circumstances to be construed as an offer to sell, or

as a solicitation of an offer to buy, any security referred to herein.)

It is an investment in a very successful company; one which has paid a dividend in every year since its formation. The several To live, every human being must attractive situations about which I have written in this column over the years, have confirmed my confidence in them. I believe River Brand Rice Mills will do likewise and I am giad to add it to my recommendations at this time.

LOUIS SAPIR

Partner, Cohen, Simonson & Co., New York City Members: New York Stock Exchange and American Stock Exchange

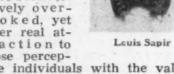
De Soto Chemical Coatings, Inc.

It is too often assumed by the corporate mind, the analyst-seer current crop of security analysts, and neophyte investors, that

the scientific. No room is permitted, by these committed individuals, to the revitalized revamped, or reoriented.

ine new, the

glamorous, or



De Soto Chemical's current corporate image meets the criteria of basic strength, revitalized management, and growth in sales, earnings and dividends.

Let us look at the record:

In August of 1956, the company acquired the paint and wallpaper manufacturing operations of Sears, Roebuck & Co. in exchange for 60,000 shares of 43/4% class A cumulative preferred stock and The company after this transaction had outstanding: 3,113,642 shares of common; 35,591 shares of by a sinking fund to the extent of class B cumulative convertible 3,000 shares annually. preferred, and 60,000 shares of class A preferred.

Forum Participants and Their Selections

This Week's

River Brand Rice Mills, Inc.-Herbert E. Harris, Investment Securities, Dayton, Ohio. (Page

De Soto Chemical Coatings, Inc. -Louis Sapir, Partner, Cohen, STEINER, ROUSE & Co. City. (Page 2)

On the basis of book value, Sears then had approximately 90.5% of the total stockholders equity in the company, and about 91.5% of the voting power.

It was obvious that Sears stock ownership offered several problems, as well as the distinct advantages that such control entailed. If one could read into the would perhaps proceed in exactly the same manner as Sears; to wit: growth can only be equated with build up the operation, increase profitably, and, once this has been accomplished, increase the marketability of the common and establish a wider base of ownership

What was actually accomplished Management: A revitalized executive team, Sears trained and oriented, under the guidance o President Sam U. Greenberg, took over control.

Operations: De Soto in about two years absorbed over \$6,000,000 of tax-loss carry-forward incurred by the former company. (Known United Wallpaper). For the fiscal period June 30, 1959, the company paid taxes at the full

Construction: New plants erected in Chicago and California. Sales: Increased more than 20%

between 1957-60.

than 50% between 1957-60. Per Share Earnings: (excluding tax-loss carry forward) Increased more than 70% between 1957-60.

Dividends: Increased from 25¢ in 1957 to its present basis of 40¢ annually.

Simplified Capitalization: The 2.854,609 shares of common stock. class B cumulative convertible preferred was called, and the class A preferred is being reduced

> The following statistics will give meaning to the above statements:

SIAIISIICS (II	unions unies	s marcacca	,	
	1957	1958	1959	1960
Net sales	\$39,669 3.405 3.062	\$43.820 4.692 2.623	\$47.125 4.769 2.081	\$48.425 5.237 2.369
(a) Incl. tax-loss carry forward Less Credit	\$.96 .53	\$.82 .31	\$.65	\$.74
(b) Excl. tax-loss carry forward Dividends Per Share	\$.43 \$.25	\$.51 \$.25	\$.65 \$.30	\$.74 \$.35*
AMerican Indications comme - A 10	AL	Ldand		

Present indications assume a \$.10 quarterly dividend.

What Are De Soto's Present Areas of Operations?

Soto manufactures for terior and exterior use - houseabout 45% of earnings. If you are latex paints, plastic masonry a real investor, this should compaints, varnishes and stains. These items account for approximately

Approximately 31% of sales of total sales. export business, part of which is consist of industrial coatings and done through Government super- paints manufactured by the comvision. It once had a large busi-ness in Cuba but foreseeing and coatings, interior and exterior trouble, it gave that business up coatings for food and beverage before the trouble occurred and cans; and chemical resistant finother foreign business is more ishes for oil refineries and chemical plants. In addition, the Here, then, is an investment for company has developed and is realistic investors: investors who presently manufacturing polyester prefer sound situations based upon joint compounds for clay pipe FACTS rather than will-o-the- joints, and certain types of poly- agrees to purchase from the comwisp glamour which is composed ester laminating resins for use mostly of froth. This is an invest- in production of structural panels ment in one of the most necessary and small boats. These new and on cost plus a specified profit, but and most demanded commodities. improved coatings, the result of prices must be competitive. Sears

products were approximately \$11,-000,000 in 1957 and \$15,000,000 in

Wallpaper represents about 10%

We believe that De Soto is the premier company in the wallpaper industry, and among the 10 largest in the paint and coatings in-

A note of evident interest-Sears took about 58% of net sales in 1960. Under contracts terminable by either party on June 30 of any year-on one year's notice-Sears pany 90% of its requirements of wallpaper. Prices are determined has advised De Soto that it plans to continue to look to the com-Continued on page 25

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The President's Major Economic Problem

By Edwin G. Nourse,* Author and Consultant, Washington, D. C.,

Former Council of Economic Advisers' Chairman raises what he believes is the most crucial economic question facing us today: will the President be able to dissuade Big Business and Big Labor from dealing a "death blow to the free enterprise system they profess to love?" Dr. Nourse assesses Mr. Kennedy as an economic statesman after tracing the origin and development of the totally new concept of the President as a mover of and intervener in the state of economic affairs. He praises his knowledgeability, prudent refusal to push the panic button, and perceptive ability in enunciating this "crucial dilemma" in his State of the Union Message.

the United States as an economic scale. Even before the onset of statesman-not merely a political general depression, he recognized

creature of the 20th century. It began with Theodore Roosevelt, gained clarity under Wood-row Wilson, and has become a criterion avowed by or applied to every President from Herbert Hoover forward. The 19th century was the



Edwin G. Nourse

heyday of laissez-faire and the "rugged individualists." Government intervention came only occasionally and was related to topical issues such as the tariff, immigration, slavery, or free land. These issues were dealt with largely in political, moral, sectional and emotional terms in a narrow con-text rather than as broad economic policy.

Theodore Roosevelt, the conservationist, the trust-buster, spokesman for labor reform and human welfare, opened the new century as the leader of an economic re-orientation. In 1908 he rolled his special causes into an ambitious but untidy package that he called "the Progressive Party." Woodrow Wilson, more of a scholar than Theodore Roosevelt, formulated a more systematic economic statemanship under a national economic policy labeled "The New Freedom." He sponsored the Federal Trade Commission to tailor anti-trust policy to concrete situations. He coordinated a system of commercial credit under the Federal Reserve Board and of farm mortgage credit through Federal Land Banks. The war he tried to keep us out of required a national economic effort and put the national debt in a position of new and continuing significance. But Wilson was too ill and too preoccupied with international problems to make further contributions to the economic states-manship of "The New Freedom."

The Stock Market Crash

After an easy-going postwar decade, the stock market crash of 1929 brought new demands for constructive economic statesmanship, and the response of Herbert cepression gave him a growing Hoover was compounded of his engineering training and his hu- means of bringing segmental polimanitarian experience in postwar

The concept of the President of relief in Europe on a national

and diplomatic statesman-is a the plight of the nation's agriculture and approved the Agricultural Marketing Act, with its Federal Farm Board as a top strategy body armed with a Federally underwritten "stabilization corporation." As depression deepened, he appealed to business leaders to subordinate personal and company considerations to the public interest-and they doublecrossed him. He then turned to the novel device of a National Reconstruction Finance Corporation to aid states, cities, and private firms and the Home Loan Bank to backstop savings, building and loan, and homestead associations and to make and service loans to veterans.

As for the second Roosevelt and Harry Truman, the particular events of the New Deal and the Fair Deal are too fresh in our minds to need repeating here. But a few comments on their orientation to an integrated economic statesmanship - or their disorientation-may not be out of

In the idiom of military strategy, Franklin Roosevelt launched a four-front war. Something, said he, had to be done for the farmer, so he stepped up the Agricultural Marketing Act into an Agricul-tural Adjustment Act, with price and income subsidies and some production control. Something had to be done for business, so he promulgated industry codes that in effect relieved company managers of the rigors of the antitrust laws. Something had to be done for labor, so he hatched a Blue Eagle of re-employment and, later, backed the Wagner Act, with its National Labor Relations Board. Feeling that something had to be done about prices in general, he sought "reflation" through upping the mint value of gold and withdrawing it from coin circula-tion. Relief payments to families were expanded as an act of mercy rather than economic strategy. But they were soon amplified or metamorphosed into a Social Security system that has become a significant factor among national

stabilization devices. President Roosevelt had a natural flair for the politicial phases of his job and for daring improvisation of government programs. But wrestling with this four-front economic war against realization of the need for some

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Published Twice Weekly The COMMERCIAL and FINANCIAL CHRONICLE

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Tax-Exempt Bond Market—George L. Hamilton

Washington and You

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CLAUDE D. SEIBERT, President WILLIAM DANA SEIBERT, Treasurer GEORGE J. MORRISSEY, Editor Thursday, August 24, 1961

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Reentered as second-class matter February 25, 1942, at the post office at New York, N. Y., under the Act of March 8, 1879.

Subscription Rates Subscriptions in United States, U. S. Possessions, Territories and Members of Pan-American Union, \$65.00 per year; in Dominion of Canada, \$68.00 per year; Other Countries, \$72.00 per year.

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OBSERVATIONS...

BY A. WILFRED MAY

A USEFUL THERMOMETER FOR "HOT ISSUES"

Not at all apocryphal, and most file for bankruptcy, or 'go public.'

Likewise enjoying wide public circulation is debunking of specific new issues. But most of such vigorous excoriation, in following after the subscription date, and concentrating on the subsequent sensational price pyrotechnics, mostly misses constructive usefulness for the investor. In fact, the very accounts of the fireworks' price and profit-wise serve to whet the appetite for getting aboard the very next issue.

Who Really "Goes Public?"

One of the Offerings phases, simple and clear, on which Mr. Public presumably can be taught look before he leaps, whether the Company's treasury or selling "insiders" are to get the new money. Of the total proceeds of new common stock issues, 29% (\$899 million) in 1960, and 29% (\$621 million) in 1959, have gone directly to selling stockholders. In those instances it is, of course, "the insiders," not their companies, who "go public."

A Real Bear Tip

While we do not agree with that segment of the tipping fraternity which keys their tips to following "the insiders," as through the monthly publication of all their transactions as prescribed by the Securities Exchange Act of 1934 (Sec. 16a) and the Investment Company Act of 1940 (Sec. 30f); we would give some credence to this type Bear tip as revealed by major liquidations via Prospectus.

Hence our prize exhibit here is a current new offering, which directly embodies both the features which we have cited above! Namely a sale of managers' stock and bankruptcy.

Interestingly here, the "ringleader" of these new managers borrowed \$50,000 from the company, which he will repay, without any beastly interest, out of the proceeds of the current offer-

"Wake Up and Read!"*

Clearly set forth in the current "Red Herring" preliminary Prospectus in compliance with the statute, it might be assumed that even an eager-beaver public would have the sense and energy to absorb such horrendous procedure.

14 WALL STREET

The "X" Company, a managesignificant, now is this account- ment consultant service organizaant's yarn. Examining the books tion, with practically no fixed and accounts of a shaky business assets or capital surplus, was proprietor, he reported, "Either under creditors' extension from April, 1956, to February, 1959. when it took the big-and bullish —plunge into bankruptcy (evidently ante-dating the "Going Public" possibility). The shares now being offered were given to the present stockholder-managers midst the 1959 bankruptcy proceedings in consideration of \$115,-000 of loans they made to the company, and \$100 paid to the then owner of all of the common stock. With the completion of their present offering, the four their followers. Legally powerless managers, including the Chairman, are the mails to escape from horas clearly included in the preliminary prospectus, will perform a complete "walk-away" from their management affiliation as well. In scription" rackets. ". other words, the new offering subscribers will be functioning as the final bailers-out in a bankruptcy arrangement.

After nominal "net income" reported over the past two years, a substantial deficit remains. (The latest eight-mointh interest earnings are one-third less than last year.)

Incidentally, the offering price (pre - pyrotechnics) now anticipated is \$3 per share, which would represent 12 and 15 times respectively, the enterprise's past two years' earnings. The underwriters have bought from the selling 'expenses.

All this is, of course, set forth in clear and simple English in the prospectus; which fact involves some broad implications. Despite the public's constantly revealed fer to provide any services to inignorance of the prospectus facts vestors . . . the only offerings ever and of the prescribed bold-face made by (with representations to the contrary constituting a "criminal offense"), we still hold to the conviction that the Commission grams.") should go no further than ensure full disclosure. Government guarline?" impracticability; as well as conferring a wholly false sense of security on the (particularly now) speculative.

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recklessness. Some have invoked the rule of compelling such consumers (men as well as "This order was not solicited." Some of these firms limit the formal "Confession" to issues under a minimum price-say \$10.

New "Speed-Reading" Course Called For

On the other hand, we find that a previously advanced idea to have the buyer also sign for having read the Prospectus, has been abandoned. (Doubtless "that would be going to far.")

Even in the absence of 'Speed - Reading" addict, the above-cited "Selling Stockholder" factor can surely be scrutinized.

Offsetting the attempts at restraint is the pushing (though not too much is required now) applied by the "Hot" underwriters and their followers. Legally powerless rendous promotions, including at least this choice tid-bit using the "research" and "guest sub-. . We maintain an active and experienced research department. . . . Today's active 'New Issue' market offers attractive opportunities for capital gains to the intelligent investor. Our research department scrutinizes every major new issue." [Emphasis added by us.]

Investor education, along with a modicum of personal effort, in the new issue field as well as elsewhere throughout the investment world, remains as the only effective antidote to idiotic behavior.

MULTIPLE DISCLAIMING

The zeal of disclaimer efforts, stockholders 10,000 shares at 30 in the current speculative state, cents per share; have acquired sometimes goes to lengths that are options at a cost of 30 cents per quite amusing. We have received share, to buy 34,000 shares at by mail an elaborate 16-page \$2.70; and received \$65,000 toward profusely illustrated promotional pamphlet from an oil company, whose first page is entirely devoted to disclaiming - like - mad This booklet is published as a public service . . . not as an of-Oil Company disclaimer of SEC responsibility are to a limited group of selected investors who are personally invited by officers of the company to participate in particular pro-

So far, perhaps not too unusual. But accompanying is a letter from anty of value, as has long been the company's Vice-President and recognized in other countries, en- Attorney, a friend, including some tails the "where do we draw the personal thoughts along with references to this Oil Company with the meticulous "P. S. legalism in bold type, "DICTATED BUT NOT READ BY CGB."

* The slogan used during the recent Clarkson Labs. Common Offered

Offering of 200,000 common shares The Clarkson Laboratories, Inc. is being made today (Aug. 24) by Ross, Lyon & Co. Inc. and Globus, Inc. The stock is priced at \$2 per share, and the offering is made as a speculation.

The Clarkson Laboratories is made up of a merger of a company of the same name, Manufacturers Chemical Co., Inc. and Norchem Products, Inc. The company with headquarters in Camden, N. J., is engaged in the development, manufacture, packaging and sale of industrial chemicals and chemical compounds, and latex, resins and plastic compounds for industrial and chemical use.

Proceeds from the sale will be used to defray the cost of an addition to the company's plant, and to repay a demand note and for working capital.

firms are truly making constructive efforts to curb the "Hot Is- Life Insurance Sales to Firms More Than Triple Since 1950

chased for business purposes has business life insurance policy. more than tripled in the United States during the past decade, as American business firms have inagainst the loss of the brains and skills of key employees and execimportant assets of any company.

This was pointed out recently by the Institute of Life Insurance, New York City. It noted, for example, that during 1960, business firms bought about \$5,000,000,000 of life insurance to protect themselves against financial losses that might result from the death of important personnel. Some life insurance companies, the story change jobs to other firms. revealed, reported that business as 20 to 25% of their new ordi-000 and \$35,000,000,000. This up-

Mid-Western city, which pur- taken out on his life. chased last year a \$50,000 policy stock. When he was killed in an enterprises. airline crash several months later, the policy not only indemnified the firm against the loss of his technical knowledge but also helped to repurchase his stock from his family.

cept for business life insurance.

contracting business in a small Western community who began 10 years ago to take out insurance small printing shop with only four them agreed in advance that, in case either should die, the sur- President spent about 90% of his policy The firm's main activity was transporting heavy drilling handled most of the firm's sales ner did almost all the outside two of them decided to take out work, while the other handled all against the loss of either man's the office routine and kept the services and to provide cash to books. Last February, when the repurchase either's stock in case "inside" partner died following a of death. Ten days after a \$10,000 surgical operation, his share of policy was issued on the father's the business was purchased by the life he died unexpectedly in his other partner with the help of sleep of a heart attack.

women) to sign the statement, The amount of life insurance pur- \$40,000 in death payments from a

Use as Pension Funds

Business life insurance policies creasingly protected themselves not only protect the firm against loss resulting from financial death but are also frequently utives, which are among the most used to accumulate pension funds for executives who live to retire. The cash values that build up in a policy during an executive's working years can be used for this purpose when the firm no longer needs the policy's protection features. Such provisions in business policies have even been known to induce key employees to turn down appealing offers to

Non - profit and non - business policies accounted for as much organizations also sometimes purchase life insurance policies on nary life insurance purchased last key executives - particularly year. Total business life insurance where personal talents are vital in force in the U.S. at the end to important, long-term projects. of 1960 was between \$30,000,000,- For example, the popular and widely known minister of a ward trend has been especially church in a large Southwestern noticeable among medium - size city had dreamed of building a corporations, where the death of \$250,000 youth center for his an owner, officer, manager, tech- community. When the minister nical expert or even a shop fore- was killed in a plane crash last man is likely to be felt more year, the youth center might keenly than in larger enterprises. never have been built-except for The Institute referred to a case a \$400,000 insurance policy that of an advertising agency in a his foresighted congregation had

The use of business life insuron the life of its general manager, ance has been on the rise among who also owned 38% of the firm's virtually all types and sizes of

For example, one of the largest recent life insurance benefit payments resulted from the death of the founder and principal stockholder in a major Mid-Western and Southern credit company. The There are many cases of smaller company had begun buying infirms which probably would have surance on his life 10 years ago had to be liquidated following the and had increased its protection death of an owner or partner, ex- to a total of more than \$1,300,000 at the time of his death. This in-Another example cited dealt surance helped avert a financial with two partners in a general crisis for the firm, which has some 70 offices in seven different states.

Another Mid-Western firm, a on each other's lives. Both of employees, was owned jointly by its President and his son. The viving partner would use the time as a working printer in the proceeds to buy out the press room. The son served as Vice-President and Secretary, and equipment to oil fields. One part- and administrative affairs. The life insurance to protect the firm

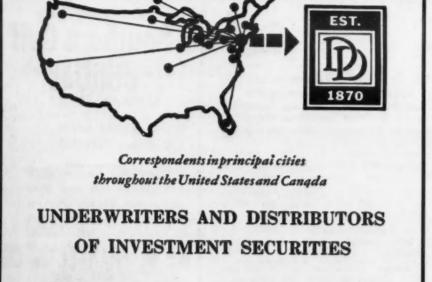
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The State of TRADE and INDUSTRY

Steel Production Electric Output Carloadings Retail Trade Food Price Index Auto Production Business Failures Commodity Price Index

Industrial production, construction activity, and nonfarm emcredit increased further, while the money supply showed little Department store sales rose furchange and time deposits rose nouncement in late July of a substantial increase in defense spending, common stock prices rose and on corporate bonds advanced. Commodity prices generally changed little.

Industrial Production

Industrial production rose further in July to a new high as gains continued widespread among both final products and materials. At 112% of the 1957 average, the index was 2% higher than in June and 21/2 % above the plateau in the first half of 1960. The previous high of 111% was in January

Output of consumer goods, already at a record high in June, rose further in July. Output of television and home radios remained at advanced levels while production of most other home goods and of consumer staples continued to increase. Auto assemblies were unchanged after allowance for the earlier model changeover this year. Production of industrial and commercial machinery increased and total output of business equipment regained its mid-1960 level.

Output of iron and steel, other metals, and construction materials continued to rise. Total output of durable materials, however, was still somewhat below its high in early 1960 when inventory accumulation was at an exceptionally rapid rate. Nondurable materials reached another new high as output of chemicals, paper, and some other materials rose further.

Construction

New construction activity advanced 2% further in July to a seasonally adjusted annual rate of \$58.7 billion, a new high. Residential and highway building continued to rise and activity on military facilities increased sharply changed little.

Employment

in nonfarm establishments continued to rise in July, reflecting further gains in durable goods inand services. At 53.4 million, nonfarm employment was 1.2 million above the March low and equal to the peak reached a year earlier. the level prevailing since Decem-

Distribution

Retail sales, which had inployment continued to increase in creased more than 2% from April July. The unemployment rate was to June, declined 1% in July unchanged. Total commercial bank mainly because of a decrease at stores in the automotive group. ther in July, and total sales at substantially. Following an- stores other than the automotive group were nearly maintained; in June total sales excepting the automotive group had risen 2%, alyields on U. S. Government and most regaining the peak of April

Agriculture

The crop production forecast based on August 1 conditions was 113% of the 1947-49 average, 1% higher than a month earlier but % below the production record in 1960. Feed grain output is expected to be down 15% from last year as acreage was reduced under the Feed Grain Program. The cotton crop was forecast at 13.9 million bales, 3% less than last year. Output of livestock and products is increasing further this

Commodity Prices

The comprehensive index of wholesale commodity prices has been relatively stable since mid-July. Although prices of steel industrial materials have inties generally have shown little current rates of manufacturing. change since July 25 when an increase in defense spending was announced.

Bank Credit and Reserves

increased further in July, as banks added to holdings of U.S. Government securities in connection to tonnage needs. with Treasury financing operations. Bank holdings of other securities also rose while loans declined somewhat. The average money supply, seasonally adjusted, showed little change at the level prevailing since late March. Time deposits increased substantially further.

Member bank excess reserves about \$600 million and borrowings from the Federal Reserve in steel costs after Oct. 1 are on averaged about \$75 million over record. the four weeks ending August 9. Between early July and early while most other construction August, reserves were absorbed principally by reductions in Reserve Bank float and were supplied by currency inflow and Fed-Seasonally adjusted employment eral Reserve purchases of U.S. Government securities. Required reserves rose reflecting mainly for a given date. increases in U.S. Government dedustries and in construction, trade, posit associated with bank pur-

Security Markets

prices declined Common stock The seasonally adjusted rate of during the first three weeks of July and then advanced substanunemployment was 6.9%, about tially to new highs. Yields on U. S. Government securities rose considerably after the third week of

on state and local issues changed

Bank Clearings for Aug. 19 Week Were 1.4% Below Corresponding Week Last Year

ago. Preliminary figures compiled by us, based on telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Aug. 19, clearings from all cities of the United States from which it is possible to obtain weekly clearings was 1.4% below those for the corresponding week last year. Our equal to the 8.5 million ingot tons preliminary totals stand at \$28,-135,029,863 against \$28,546,048,838 comparative summary for leading money centers for the week follows:

Week End. -(000s omitted)-
 Aug. 19—
 1961
 1960
 %

 New York
 \$14,653,022
 \$14,845,489
 —
 1.3

 Chicago
 1,403,455
 1,443,869
 —
 2.8

 Philadelphia
 1,119,000
 1,121,000
 —
 0.2
 823,223 + 0.5

Explosive Steel Market Conditions May Cause a Short-Term Steel Shortage

Pressures for an explosion of the steel market are building up, The Iron Age says. The mounting potential will lengthen steel delivery promises in the early fall and threatens to create a shortterm steel shortage.

The magazine lists these factors in the potential market buildup:

(1) Inventories of steel are low scrap and a few other sensitive and too many large users are relying on fast delivery. Inventories creased, prices of basic commodi- must be rebuilt to sustain even

(2) Berlin and other international problems are creating pressures, both real and psychological. Users are afraid of controls and do not want to get caught short Total commercial bank credit in case of a national emergency. At the same time, the defense buildup will add a moderate bulge

(3) The general economy is rising at a faster rate than expected. The record rate of industrial production in July was reached with little stepup in steel orders. When users try to build up steel stocks in a period of increasing rate of consumption, effects on the market multiply.

(4) Some instances of price hedging against a possible increase

(5) Auto companies, which have been cautious as labor contract deadlines approach, will have to come into the market for much larger tonnages than now on the books. Users know from experience that automakers get priority when they demand large tonnages

Automakers have notified steel companies the bulge is likely to chases of new Treasury securities. come in September and they expect to get what they want when they want it.

Auto parts makers, who got the work early, have already stepped up their production and steel buying, to be ready for the upsurge in auto assemblies after the labor trouble is cleared away.

The Iron Age observes that most of these pressures are still below the surface and have not yet made a strong impact on sales offices. But there has been a general improvement of orders on a broad base in the past 10 days, with elements all in place for a firstclass upsurge.

In the Midwest, major mills, sensing the situation, expect a six weeks extension on delivery dates for flat-rolled products by October; some say even sooner.

At the present time, orders are coming into steel mills at a rate to sustain operations at nearly 70% of capacity. Some mills that have a heavy percentage of business on sheets are doing better than that.

Flat-rolled products, as is the usual case, lead the upturn, even

July, and yields on corporate before the influx of automotive of special high grade zinc and diebonds also increased while those orders. Galvanized and tinplate casting alloy ingots are still weak. have been strong through the year. Warehouses, which did not build inventories during the summer as improved business countered slightly better mill orders, are now building stocks. Bars Bank clearings last week showed and plates are also universally a decrease compared with a year stronger as the market advances.

Estimate of August Steel Output Revised Upward

Steel market analysts are makestimates of August output, Steel magazine reported.

They're looking for the August total to be 5% above July's and poured in June. Earlier, they figured this month's output would be for the same week in 1960. Our only slightly higher than July's 8.1 million ingot tons.

The metalworking weekly predicts that this week's steel output will be up for the fourth straight week. Last week's production is estimated at 1,925,000 tons.

With the continuing rise in steel output, scrapmen expect a buying pickup. Steel's price composite on No. 1 heavy melting grade is up 33 cents to \$38.33 a gross ton.

The improved outlook for steel production reflects stronger demand from appliance makers, the construction industry, and small users who are starting to consume steel at a faster rate.

It suggests, in addition, that steelmakers are stockpiling semifinished material for quick processing in September. Reason: They are looking for an avalanche of orders from automakers after the new labor contracts are signed.

Steel reports that 1962 auto sales could run a million units higher than 1961's. Estimates of analysts and economists queried by the publication range from 6 million to 6.8 million cars.

Detroit is encouraged by the general expectation of a continuing economic upturn through this year and well into 1962. However, collapse in the auto-labor negotiations could cause a deterioration in the outlook.

The car companies have enough steel on hand to start production of their new models (some probably have enough metal to last them through September) but they're going to need more in a hurry if they are to sustain a production rate of 500,000 to 600,-000 cars a month.

Price cutting on many nonferrous metals is still common despite the almost universal pickup in business, Steel reported.

There may be a little less quotation paring than earlier in the year, but it will take a greater resurgence in orders than economists predict to fully halt the practice in 1961.

A quick check of new aluminum price lists shows about as many downward revisions as increases. New schedules better reflect market conditions.

The situation in zinc has led to a standard discount under quoted phase for assembly of its cars, and prices of 0.5 cent a pound. Sales

Copper prices seem firm but

may rise higher before the year is out.

Brass mill sales are up, but there's still some price weakness. The tin price is the strongest of any nonferrous metal now. It has settled in the \$1.15 to \$1.20 range since the hectic gyrations of the late spring and early summer.

Even the newer metals are not immune to price pruning. ing upward revisions in their tanium is a case in point. A little nibbling at quotations has lowered the composite price about 12%.

Steel Production Data for the Week Ended Aug. 19

According to data compiled by the American Iron and Steel Institute, production for week ended Aug. 19, 1961 was 1,944,000 tons *104.4%), 1.8% above the output of 1,910,000 tons (*102.5%) in the week ended Aug. 12.

Production this year through Aug. 19 amounted to 58,090,000 tons (*94.5%), or 17.9% below the period through Aug. 19, 1960.

The Institute concludes with Index of Ingot Production by Districts, for week ended Aug. 19, 1961, as follows:

We	luction for ek Ending . 19, 1961			
North East Coast				
Buffalo				
Pittsburgh				
Youngstown	96			
Cleveland	109			
Detroit	128			
Chicago	106			
Cincinnati	109			
St. Louis	115			
Southern	110			
Western	115			
Total de sugal de	104 4			

*Index of Ingot

*Index of production based on average weekly production for 1957-1959.

Auto Makers Fashion 8,500 New Cars for 1962

All of the nation's auto makers were in various stages of 1962 model production this week, giving the industry a three-weeks head start over 1961 model production, not generally undertaken until after Labor Day last year, Ward's Automotive Reports said.

Cadillac, Buick, Oldsmobile and Pontiac divisions of General Motors, along with Studebaker-Packard Corp. fashioned some 8,500 new cars this week to gain the jump in what might well become the industry's most competitive campaign.

Ward's said that Chrysler Corp., recalling workers to five of the company's six assembly plant locations, spent the week in such preliminary operations as "framing" and "filling the line," but will start a regular production count by Tuesday of next week. The company's truck plant, at Warren, Mich., however, did produce its first fleet of 1962 model units.

American Motors, at Kenosha, Wis., also entered the preliminary Continued on page 26

We are pleased to announce that

WALTER R. JOHNSON and FRANK W. WARNER

have been elected Vice-Presidents

of our firm

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CONSOLIDATED ASSETS EXCEED IL900 MILLION (\$500 MILLION)

TAX-EXEMPT BOND MARKET

Bu GEORGE L. HAMILTON*

3.3920% basis as reported a week

The technical position of the market which has remained generally good for the past few months underwent a rather sudden change of status since we last went to press and is now of real concern to all involved. The chief cause of concern is the rapid build-up of the new issue calendar. While it was expected that the calendar of new flotations would increase over the early fall the rapidity of this increase was more than even we had anticipated. Last week the volume of sealed bids for the coming 30-day period totaled only \$193,419,000 which represented the low total volume for this column during the past two years. In one short week there have been numerous announcements from all over the country by various public officials heralding a total of over \$486,-160,000 of bonds to be sold during the next month. The sizable additions include \$100,000,000 State of California Veterans' (1963 - 1987) bonds for sale Sept. 13; \$32,250,000 Detroit, Mich. various purpose bonds for sale Sept. 26; \$10,000,000 Cheyenne, Wyoming Waterworks (1963-1991) improvement bonds for sale Sept. 12; \$47,000,000 Commonwealth of Massachusetts serial (1-50 year) bonds for Sept. 12; \$15,000,000 Los Angeles, California Department of Water and Power bonds for Sept. 13; \$35,500,000 Oklahoma State College and Institution bonds for Sept. 19; \$25,-893,000 Pennsylvania State Public School Authority Revenue bonds for Sept. 19; and \$42,940,000 New York City various improvement (1962-1976) bonds for Sept. 20. With a large potential but unissued supply also hanging over the market, dealers are suddenly faced with the problem of absorbing more volume than can be conveniently placed at the current level of prices.

Another negative factor is the \$400,000,000 level for the past few weeks. The Blue List, which is our best measure of street float, totaled \$412,953,000 on Aug. 23. While this total has been higher in past weeks, this present float plus the new issue volume would indicate a general testing of present price levels.

There has been nothing very

The market for municipal bonds among dealers as to the award literally marked time this of such a large block of bonds by past week although the Commer- the State Treasurer on a \$100,000 cial and Financial Chronicle's high Good Faith Check to a virtually grade bond Index shows an aver- unknown firm and the various age market decline of about one- other implications involved in quarter of a point. This Index future California sales but while went to a 3.4076% basis on talk is cheap and no problems Wednesday, Aug. 23, from a have been solved in the heat of arguments the one important thing is that the State Street Securities Corp. has a balance of only \$3,808,000 bonds remaining in account and that they have made a profit of close to \$1,000,000. Repercussions and discussions are likely to be felt for years to come over

This week from an underwriting viewpoint has seen five issues of importance come to market. The largest issue of the week, \$25,000,000 Cook County, Illinois Expressway (1962 - 1976) bonds, attracted three bids on Tuesday, Aug. 22, and was awarded to the account managed jointly by The First National Bank of Chicago, the Harris Trust and Savings Bank, The Northern Trust Co., the Continental Illinois National Bank and Trust Co. of Chicago. and The First National City Bank of New York. Also included among the other major underwriters were the Chemical Bank New York Trust Co., C. J. Devine & Co., Kuhn, Loeb & Co., The First National Bank of Oregon, and White, Weld & Co. The bonds which were priced to yield 1.75% to 3.50% with a 3½% coupon were in good demand upon initial reoffering. At this writing \$5,853,000 bonds remain in account.

Also on Tuesday, the State of Vermont, a relatively infrequent borrower and an issue carrying the highest credit rating, awarded \$5,000,000 general obligation (1962-1981) bonds to the account consisting of The First Boston Corp. and the Bank of America N. T. & S. A. This "Aaa" rated issue was reoffered to yield from 1.50% to 3.15% for a 3% coupon. Yesterday's balance was \$2,730,000.

A syndicate headed jointly by John Nuveen & Co. and the City Securities Corp. was the successful bidder late Tuesday for \$3,625,000 Speedway School Build- James M. Turner has been proing Corp., Ind. bonds. This suburb of Indianapolis is better known to the public as the home of the year the attention of the world of sport is focused on this 1,500-acre town but for our own purposes the monies raised from this bond 1964 to 4.05% in 1983 the issue to Southeastern Capital Corpora-is more than 50% sold.

The imporant New York State startling in the way of general school district market was reprefinancial news or world events sented this week by the sale on during the past week which would Wednesday, Aug. 23, of \$4,013,000 have any effect on municipal Huntington and Babylon, New bonds but the Street is still buz- York CSD No. 5 (1962-1990) bonds zing about William S. Morris & to the account headed by Halsey, Co. and his purchase through Stuart & Co., Inc., and including State Street Securities Corp. of Roosevelt & Cross, Inc., George \$100,000,000 State of California B. Gibbons & Co., Inc., First of School bonds late last Wednesday, Michigan Corp., Francis I. duPont Aug. 16. Talk has been rampant & Co. and several others. The is-* Pinch-hitting for Don Mackey. 1.80% to 3.90% with a 3.80% cou-

the unsold balance was \$2,103,000

pon. After the initial order period

As we go to press Kansas City, Mo., has awarded \$4,034,000 general obligation (1962-1981) bonds to the group headed by Phelps, Fenn & Co., and including as majors Goldman, Sachs & Co., F. S. Moseley & Co., Paine, Webber, Jackson and Curtis, Dean Witter & Co., and Dominick & Dominick. The bonds were reoffered to yield from 1.60% to 3.35% in 1980. The last maturity carrying a one-quarter of 1% coupon was priced to yield 4.00%. Due to the late hour of sale no balance is available, but all indications point to a successful placement.

The dollar quoted turnpike revenue bonds continue to be a little better than the general market for tax-exempt securities. On Aug. 17, the Smith, Barney & Co. yield Index was 3.84%. This average was unchanged from the previous week and were it struck today a small gain would be in evidence. Turnpike revenue reports continue to improve almost without exception and many of these issues formerly slow getting started are now seasoned and flourishing.

Next week's new issue calendar is light as we approach the summer's close and the Labor Day weekend. The total of new financings for the coming week is about \$50,622,000 with \$20,000.000 San Diego County, Calif. bonds, Tuesday, Aug. 29, the feature.

There is at present only one negotiated type revenue bond issue on the horizon. The Florida Turnpike Refunding and Northern Extension issue is expected early in the fall. Dillon, Read & Co. will form an underwriting group to submit a bid for this \$160,000,000 financing.

Form Sutter Hill Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Sutter Hill Co., Inc. is engaging in a securities business from offices at 593 Market Street. Officers are Frank J. Lodato, President; Gregor G. Peterson, Vice-President and Treasurer; and David L. Fletcher, Vice-President and Secretary.

V.-P. of First Investors

moted to Assistant Vice-President of First Investors Corporation, 120 Wall Street, New York City. supply of street inventory which famed Indianapolis Motor Speed-has been hovering around the way and Memorial "500." Once a and was appointed First Secretary in 1954.

Now S. E. Capital

sale is to be used for erecting a NASHVILLE, Tenn. - The firm high school for the local residents. name of Tennessee Investors, Inc., Scaled to yield from 2.40% in L & C Tower, has been changed

Barth Opens Branch

OAKLAND, Calif.—J. Barth & Co. has opened a branch office in the Financial Center Building under the direction of James E. Kramer.

Hill, Darlington Branch TACOMA, Wash.-Hill, Darlington & Grimm have opened a branch office in the Rust Building under the management of Victor Frank.

Form T. B. Raul Inc.

NEW ROCHELLE, N. Y .-- Theodore B. Raul, Inc. has been formed with offices at 409 North Avenue to engage in a securities business.

Form Planned Inv. Sales

(Special to THE FINANCIAL CHRONICLE) MINNEAPOLIS, Minn. - Planned Investment Sales Corporation has been formed with offices in the First National Bank Building to engage in a securities business. Los Angeles Co. Hosp. Dist., Calif. 3,781,000

Larger Issues Scheduled For Sale

20100-			
In the following tabulations \$1,000,000 or more for which sp	ecific sale	the bond dates have	issues of e been set.
Aug. 24 (T	hursday)		
Glendale, Calif.	3,250,000	1962-1981	2:30 p.m.
Groton, Conn.	1,276,000	1962-1981	2:00 p.m.
Pinal County Elec. Dist. 3, Ariz.	2,250,000		11:00 a.m.
West Springfield, Mass.	1,000,000	1962-1981	11:00 a.m.
	Mandaw)		
Aug. 28 (I	vionday)	1009 1009	1.00
Bedford School District, Ohio	1,800,000	1963-1982	1:00 p.m.
Collingswood Sch. Dist., N. J	1,600,000	1962-1980	8:00 p.m.
Aug. 29 (7	(vehau)		
Aug. 25 (2,435,000	1962-1976	7:30 p.m.
Conroe Indep. Sch. Dist., Texas			9:00 p.m.
Emerson Sch. Dist., N. J	2,300,000	1963-1984	8:09 p.m.
Indianapolis F. C. D., Ind.	2,725,000	1964-1983	10:00 a.m.
Macon Ga	5,000,000		Moon
San Diego Unif. Sch. Dist., Calif.	20,000,000		10:30 a.m.
State College A & MA, S. Dak	1,700,000	1964-2001	2:00 p.m.
Aug. 30 (W	odnosday)		
	1,940,000	1962-1981	11:00 a.m.
Islip, New York	1,040,000	1002 1001	11.00 a.m.
Aug. 31 (T	hursday)		
Fort Lauderdale, Fla	5,000,000	1962-1990	10:00 a.m.
Rochester, N. Y.	6,930,000	1962-1973	11:00 a.m.
Rochester, N. 1	0,000,000		
Sept. 1 (Friday)		
Chatham County, Ga	1,000,000	1966-1990	11:00 a.m.
Sept. 5 (T	'uesday)		
El Paso County, Texas	1,750,000		
Sept. 6 (We	dnesday)		
Covington, Va.	1,050,000	1962-1981	Noon
Frederick County, Md	2,500,000	1962-1986	11:00 a.m.
Rosary Hill College, N. Y	1,070,000	1933-2000	10:00 a.m.
St. Paul Port Authority, Minn	2,500,000	1964-1991	Noon
St. I au I oft Munority, Manager	_,,		
Sept. 7 (T)	nursday)		
Florida State University	1,486,000	1964-2001	11:00 a.m.
Gettysburg School Authority, Pa.	1,465,000	1963-1991	8:00 p.m.
Peoples Community Hospital	2,200,000	2000 2002	oloo biiiii
Authority, Mich.	1,550,000	1963-1990	8:00 p.m.
South Windsor, Conn.	2,030,000	1962-1981	2:00 p.m.
	1,200,000	1963-1987	11:00 a.m.
Tampa, Fia.	4.1	1000-1001	11.00 0.111.
Sept. 11 (N	Monday)		
Fort Myers, Fla.	1.000,000	1962-1981	7:30 p.m.
Parma City Sch. Dist., Ohio			1:00 p.m.
I arma city ben. Dist., Onto	2,200,000		aree prints
Sept. 12 (T	uesday)		
Cheyenne, Wyo.	10,000,000	1963-1991	11:00 a.m.
Commonwealth of Massachusetts	47,000,000		
Manor Jt. High Sch. Authority, Pa.	1,125,000	1963-1982	7.30 p.m.
Sacramento, Calif	8,000,000		
Springfield, Mass.	3,000,000	1962-1986	11:00 a.m.
Suffolk County Water Auth., N. Y.	4,500,000		
Sept. 13 (W	ednesday)		
California (State of)	000,000,000		
Harris Co., Houston Nav. Dist., Tex.	9,000,000		
Los Angeles Dept. of W. & P., Cal.	15,000,000		
Sept. 14 (T	hursday)		
Caddo Parish Waterworks, D., La.	1,402,000	1964-1991	10:00 a.m.
Essex County, N. J.	4,149,000	1962-1976	11:15 a.m.
Fresno, Calif.	2,500,000	1962-1991	10:00 a.m.
	Faidan)		
Sept. 15 ()			
Franklin U. H. S. D. No. 2, Wis	1,100,000	1964-2001	10:00 a.m.
Rollins College, Fla	1,072,000	1304-2001	10.00 4
Sept. 19 (T	(vehau)		
Dearborn, Mich.	1 000 (03	1962-1991	8:00 p.m.
Fridley Minn	1,000,000		8:00 p.m.
Fridley, Minn.		1962-1976	10:30 a.m.
Milwaukee, Wis.	7,250,000		
Oklahoma (State of) Pennsylvania State Sch. Building	35,500,000		
	25,893,000		
radiotity, 1 d	20,030,000		
Sept. 20 (We	ednesday)		
Atlanta, Ga.	5,300,000		
New York City, N. Y	42,490,000	1962-1967	11:00 a.m.
Sept. 26 (T	uesday)		
Detroit, Mich.	22,250,000	4000 4000	
Detroit City Sch. Dist., Mich	10,030,000	1963-1988	
Sept. 28 (T	hursday		
Indianapolis, Ind.	2,200,000		1:30 p.m.
V The state of the			Tion I
Sept. 29 (Friday)		
Minneapolis, Minnesota	3,400,000	1989	4:30 p.m.
		7277	
Oct. 10 (T	uesday)		
Los Angeles City Col. Dist., Calif.	7,500,000		
Los Angeles U. S. D., Calif.	27,500,000		
Oct. 17 (T			
Wayne County, Mich.		1966 9001	
, County, mich.	16,815,000	1966-2001	
Cct. 24 (T	uesday)		
Portland, Ore.	3,500,000	1934-1983	
		1001-1000	
Nov. 1 (We	dnesday)		
Commerce, Texas	1,082,000	2.15	
Nov. 14 (7	uesday)		
Los Angeles Flood Control D., Cal.	15,000,000		
Dec. 12 (T	uesday)		
Los Angeles Co. Hosp. Dist., Calif.	3.781.000		

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MARKET ON REPRESENTATIVE SERIAL ISSUES

		-		
California (State)	31/2%	Maturity 1978-1980	3.80%	Asked 3.65 %
Connecticut (State)	33/4%	1980-1982	3.45%	3.35%
New Jersey Highway Auth., Gtd	3%	1978-1980	3.50%	3.40%
New York (State)	3%	1978-1979	3.35%	3.25%
Pennsylvania (State)	33/8%	1974-1975	3.25%	3.15%
Vermont (State)	31/8%	1978-1979	3.35%	3.20%
New Housing Auth. (N. Y., N. Y.)	31/2%	1977-1980	3.40%	3.25%
Los Angeles, Calif.	33/4%	1978-1980	3.75%	3.65%
Baltimore, Md.	31/4%	1980	3.50%	3.40%
Cincinnati, Ohio	31/2 %	1980	3.45%	3.35%
New Orleans, La				3.55%
Chicago, Ill.	31/4%	1977	3.65%	3.55%
New York City, N. Y	3%	1980	3.60%	3.55%
August 23, 1961	Index=	3.4076%		

Sheraton Corp. of America

By Ira U. Cobleigh, Enterprise Economist

A compact review of this leading real estate company with special emphasis on the growth of its assets and earning power.

In any tabulation of growth comtimated market value. These nually for many years. assets produced \$205 million in gross revenues in fiscal year ending April 30, 1961. This amazing expansion is substantial tribute to a gifted management team, headed by Mr. Ernest Henderson, President, which has reduced hotel operation, valuation and real estate financial techniques to virtually a science.

In addition to managerial competence, Sheraton Corporation has had a number of other things operating in its favor. The upsurge in population, the ever-increasing propensity of Americans to travel, the consistent rise in the price level of urban real estate, and the rising tax shelter provided in depreciation—all these factors have helped to produce, for Sheraton, a growth curve comparable with that of the most spectacular industrial companies.

While Sheraton Corporation has not been unmindful of net earnings and dividends to shareholders it has paid cash dividends uninterruptedly for the past 20 years, plus many stock extras), it has placed major emphasis on sustained growth in net asset value. Working to that end is the policy of reinvesting, each year, as much as is available of cash flow, after dividend payments, in projects with attractive pre-debt service earnings.

Property Valuation Formula

It is the Sheraton custom to compute semi-annually the indicated value of outstanding common shares by a formula that makes sense and has proved quite reliable over the years. The key figure is what Mr. Henderson calls "basic" cath flow (earnings before interest, depreciation and taxes). The Sheraton method is to determine valuations (and indirectly net asset values) by capitalizing this basic cash flow on a 10% to 12% basis. Thus for valuation of a property, you multiply the annual flow by a factor of between 8 and 10 depending on the age, location, prestige and available financing. The reand available financing. sulting figure gives a quite accurate valuation of the price at which a property could be sold. The formula is also a useful yard-In general, for valuation purposes, 5% of gross sales is considered as normal for hotel repair and maintenance, and less for relatively new structures.

Sheraton's consistent growth has come through a steady acquisition of favorably situated hotels at satisfactory prices, coupled with their renovation or modernization as indicated. Sheraton properties are uniformly well maintained and the company benefits, taxwise, by being able to charge off most improvements against current income. This together with depreciation provide the interesting tax shelter inherent in Sheraton common stock. Depraciation is designed to compensate for property deteriorat'on due to aging or obsolescence, but where properties are mainthere is actually little or no real depreciation. Further, the long ity to some 18,000 stockholders. term nationwide rise in realty set to depreciation.

panies in the United States, you sophisticated valuation formula, would certainly have to give a and functional property mainteprominent place to Sheraton Cor- nance program, have resulted in a poration. Here's an enterprise that, steady growth in net asset value. in 24 years of hotel operation; has In the past decade alone asset grown from a small company run- value has quadrupled while Sherning a single hotel to a renowned aton common has increased sixhotel chain of 60 hotels with assets fold in market price. The growth interest in a sound manufacturing totalling over \$400 million in es- rate has averaged over 11% an-

Capitalization

In the annual report just published for the year ended April 30, 1961, total fixed and contingent indebtedness stood at \$178,-830,234, a figure representing about 49% of total assets as determined by company officers. This is consistent with a planned ratio, maintained for many years, by which debt has varied but little from 50% of property valuations. About this debt-\$25 million was raised last year through sale of 71/2% Income Debentures. Some investors wondered about the apparently high interest rate. This rate, however, proved most attractive to buyers and from the company standpoint represented a quite low cost way of expanding capital. The net cost of the money (with interest deductible before taxes) was no higher than though an issue of 33/4% preferred had been publicly offered instead.

There is an issue of 43/4 % debentures due 1967 convertible into common at the rate of 33 shares for each \$1,000 bond, \$1.5 million in 4% convertible preferred, followed by 5,262,595 common shares listed on the NYSE and now sell- the Morton Organization. ing at around 213/4. There are also two issues of warrants; 215,940 to buy 1.2 shares at a total price of \$10 until Oct. 1, 1964, and 276,290 to buy 1.2 shares at a total price of \$25 until Sept. 1, 1966. So you see there are a number of interesting ways of becoming an investor in Sheraton Corporation.

Long term shareholders in Sheraton have prospered by the constant rise in asset value, and by dividend increases in 17 out of the past 20 years. Net asset value per share, which stood at \$7.42 at April 1, 1950, was \$32.70 at April 1, 1961. Net income per share was 61c last year after record depreciation charges of \$18.181.468. Present indicated dividend rate is 60c in cash and 2% in stock.

In common with most real estate issues, Sheraton common has consistently sold at around 50% of its net asset value. As the underlying values of Sheraton are more widely understood, and particularly in an economy with a long term inflationary bias, it stick in determining the price to might be expected that Sheraton be offered for a new acquisition, common would sell at a price closer to asset value. Furtherselling around five times cash flow—Sheraton would appear undervalued compared with other realty equities of comparable stat-

Sheraton's hotels are interesting properties. They include the finest hotel in Israel, the Sheraton Tel Aviv, the Princess Kaiulani in Honolulu, the new Sheraton-Chicago, the latest addition (leased), the Sheraton-Oklahoma in Oklahoma City, and coming, the Sheraton-Lincoln in Houston. Altogether the Sheraton chain offers to its guests over 28,000 rooms, which it kept about 72% occupied last year. For the past 5 years Sheraton has had an occupancy rate above the industry average.

Sheraton is, as you can see, a huge enterprise providing emtained in the Sheraton manner ployment to 21,900 individuals and a source of investment seren-

Since the dawn of history, real values generally is a constant off- estate has been man's favorite investment. For those who don't

wish to concern themselves with titles, deeds, accounting, leases, taxes and management details, associated with actual realty ownership, purchase of stock in Sheraton Corporation of America may prove a diversified, rewarding and quite effortless way of sharing the New York Stock Exchange and growth and earning power of land For Sheraton the foregoing and structures. In Sheraton you burger & Co., members of the have a fine management working for you; you can visit and see for yourself the sources of earnings in many cities. You can share fur- Street. ther in additional investment interests of the company—a 9% interest in Diners' Club and 84% enterprise, Thompson Industries, Inc., which itself earned \$739,102 last year. Sheraton has plenty of room (and rooms) for continued

Four With M. M. Meyers

OMAHA, Neb. - L. Max Brown, Lloyd L. Hardesty, MacDonald L. Hobbs, and Clair M. Wolfe have become connected with M. M. Meyers, Inc., Insurance Building.

Book & Kasten Opens

BROOKLYN, N. Y. - Arnold M. Book and Jack Kasten are engaging in a securities business from offices at 16 Court Street under the firm name of Book & Kasten.

Wolfson Named V.-P. Of B. C. Morton Co.

Marvin Wolfson, head of B. C. Morton & Company's office at 10 East 40th Street, New York City, has been named a Resident Vice-

fice, and in addition will assume was formerly in the municipal

As of Aug. 31 Nicholas G. Hano will acquire a membership in the will become a partner in New-New York Stock Exchange. He will make his headquarters at the firm's New York office, 14 Wall George Riggs, Jr.

Scheffmeyer, Werle to Admit

Peter Morgenstern, member of the New York Stock Exchange, on Sept. 1, will become a partner in Leon Appleman is conducting a the Exchange member firm of Scheffmeyer, Werle & Co., 2 Broadway, New York City. Mr. Morgenstern is a partner in Newburger & Company.

Transcontinental Secs.

Transcontinental Securities Corporation is conducting a securities ties business. business from offices at 41 East 42nd Street, New York City.

With Calif. Investors

LOS ANGELES, Calif. - Murad John Kalajian is now associated with California Investors, 3932 Wilshire Boulevard, members of the Pacific Coast Stock Exchange.

With Commerce Trust

(Special to THE FINANCIAL CHRONICLE) KANSAS CITY, Mo. - James R. The newly appointed Resident Isleib, Jr., has joined the staff of Vice-President will continue to the Commerce Trust Company, supervise Morton's Manhattan of- 10th & Walnut Streets. Mr. Isleib responsibilities for planning in department of Stern Brothers & Company.

Representing Oppenheimer UTICA, N. Y.—John G. Scalise is representing Oppenheimer & Co. from offices at 172 Elmwood

Williston & Beane Branch PHILADELPHIA, Pa.-J. R. Williston & Beane has opened a branch office at 1510 Chestnut Street under the management of

All-State Properties

FLORAL PARK, N. Y.-All-State Properties, Inc. is engaging in a securities business from offices at 30 Verbena Avenue.

Leon Appleman Opens

securities business from offices at 150 East 61st Street, N. Y. City.

Form Blank, Lieberman

BROOKLYN, N. Y.-Blank, Lieberman & Co., Inc. has been formed with offices at 195 Whitman Drive, to engage in a securi-

Now Vickers, MacPherson

The firm name of Vickers Securities Corporation, 375 Park Avenue, New York City, has been changed to Vickers, MacPherson & Warwick, Inc.

L. V. Mills Opens

MIDDLETOWN, N. Y .- Louis V. Mills is engaging in a securities business from offices at 5% Highiand Avenue.

Marx & Co. in N.Y.C.

Marx & Co., Inc. has been formed with offices at 25 Broad Street, New York City, to engage in a securities business.

Interest exempt from all present Federal Income Taxes

NEW ISSUE

August 18, 1961

\$100,000,000 State of California

5%, 3½%, and 3¾% School Building Aid Bonds, Series Z

Dated: September 1, 1961

Due September 1, 1963-87 as shown below*

Principal and semi-annual interest (March 1 and September 1) payable at the Office of the Treasurer of the State of California, in Sacramen'o, California, or at The First National Bank of Chicago, Chicago, Illinois, or at The First National City Bank of New York, New York, N. Y. Coupon bonds in \$1,000 denomination, registerable as to both principal and interest.

These bonds, to be issued for school purposes, in the opinion of counsel will be valid and legally binding general obligations of the State of California, payable from ad valorem taxes to be levied against all taxable property therein, without limitation as to rate or amount.

Amount	Coupon	Marurity	Price or Yield	Amount	Coupon	Maturity	Price or Yield
\$3,200,000	5%	1963	2.00%	\$4.000,000	33/4%	1976	3.60%
3,200,000	5	1954	2.25	4,000,000	33/4	1977	3.65
3,200,000	5	1965	2.50	4,400,000	33/4	1978	3.70
3,200,000	5	1966	2.70	4,400,000	33/4	1979	3.70
3.200,000	5	1967	2.85	4,400,000	33/4	1980	100
3.600,000	5	1968	3.00	4,400,000	33/4	1981	100
3,600,000	31/2	1969	3.00	4,400,000	33/4	1982	3.80
3.600,000	31/2	1970	3.10 .	4.800,000	33/4	1983*	3.80
3,600,000	31/2	1971	3.20	4.800,000	33/4	1984*	3.85
3,600,000	31/2	1972	3.30	4,800,600	33/4	1985*	3.85
4.000,000	31/2	1973	3.40	4 800,000	33/4	1986*	3.85
4.000 000	31/2	1974	3.45	4,800,000	31/2	1937*	3.90
4,000,000	31/2	1975	100				

(Accrued interest to be added) *Bonds due 1983 to \$687 are opt.ona' for prio_redemption on September 1. 1982 or on any interest payment date therea ter at par and accrued interest.

These Bonds are offered when, as and it issued and received by us, subject to an unqualified approval as to their legality by Messrs. Orrick, D. blquist, Herrington & Sutcliffe, Attorneys, San Francisco, California.

WILLIAM S. MORRIS & CO.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Bank Stocks - Analysis - Orvis Railroad Stocks - Analysis -Brothers & Co., 15 Broad St., Hemphill, Noyes & Co., 8 Hanover New York 5, N. Y.

son of leading banks and trust Evans & Co., Incorporated, 300 companies of the United States Park Ave., New York 22, N. Y. -New York Hanseatic Corp., 120 Broadway, New York 5, N. Y. Also available is a card memorandum on Broken Hill Proprietary.

Investment Banking - Illustrated brochure discussing the functions of the investment banker - The Ohio Company, 51 North High St., Columbus 15, Ohio.

Japanese Electronics Industry -Analysis-Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Market-Survey-Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Japanese Market - Review - Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are Allied Chemical Corporation analyses of Korakuen Stadium Co., Ltd. and Sekisui Chemical Co. Ltd.

Japanese Stocks - Handbook for investment, containing 20 essential points for stock traders and - The Nikko Securities Co., Ltd., Tokyo, Japan - New York office 25 Broad Street, New York 4, N. Y.

Market - Discussion in current New York 5, N. Y. "Newsletter" - Robinson & Co., American Cement Corporation -Inc., 15th & Chestnut Sts., Philadelphia 2, Pa.

Mutual Fund Management Distributing Companies — Review Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

New York City Bank Stocks-Second Quarter Statistics on 11 New York Banks-Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Over-the-Counter Index - Folder showing an up-to-date comparison between the listed industrial Armstrong Rubber-Review-Mccounter industrial stocks used in Averages, both as to yield and

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Savings & Loan Holding Companies-Report-David L. Babson & Company, Inc., 89 Broad St., Boston 10, Mass.

panies-Mid-year report-Kidder, leum. Peabody & Co., 17 Wall St., New York 5, N. Y.

cher & Sherrerd, 1500 Walnut St., N. Philadelphia 2, Pa.

Sugar Industry - Analysis with particular reference to Great L. E. Carpenter & Co.-Analysis-American Crystal Sugar - Horn- 63 Wall St., New York 5, N. Y. blower & Weeks, 40 Wall St., New York 5, N. Y.

Analysis-Paine, Webber, Jackson & Curtis, 25 Broad St., New York Wall St., New York 5, N. Y. N. Y. Also available is an analysis of White Motor Company and data on Central Illinois Public Service, Steel Stocks, Colgate-Palmolive vs. Procter & Gamble, FMC Corp. and General Electric.

Allied Paper-Memorandum-Ingalls & Snyder, 100 Broadway,

Analysis-L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

American Radiator & Standard Sanitary Corp. — Report—Parrish & Co., 40 Wall St., New York 5,

American Telephone & Telegraph Co. - Review - Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y. Also available are reviews of Fairchild Camera and Dana Corp.—Discussion in current Metalcraft Inc. - Memorandum-Brunswick.

stocks used in the Dow-Jones Donnell & Co., Inc., 120 Broad-Averages and the 35 over-the- way, New York 5, N. Y. Also available are brief reviews of the National Quotation Bureau Beckman Instruments, Cenco Instruments, Crowell Collier, Diemarket performance over a 23- bold, Inc., Emerson Electric, Ford year period - National Quotation Motor, Interstate Vending, Paper-Bureau, Inc., 46 Front Street, craft, Sanders Associates and New York 4, N. Y. Western Publishing. Western Publishing.

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(Kahr Bearing Corporation)

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Canada Packers - Watt & Watt, 6-8 Jordan St., Toronto 1, Ont., Canada.

Canadian Chemical Company Ltd. Discussion - Doolittle & Co., Main & Pine Sts., Lockport, N. Y. Also available are discussions of South La Salle St., Chicago 3, Ill. Columbia Cellulose Company, Savings and Loan Holding Com- Ltd., and Canada Southern Petro-

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Western Sugar, Holly Sugar and Marron, Sloss & Company, Inc., Hudson Vitamin Products Inc. -

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Celanese Corporation of America -Analysis—J. A. Hogle & Co., 40

Champlin Oil & Refining Co .-Analysis-H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are reports on Louisville & Nashville and Texas Gas Transmission Corporation.

-Herzfeld & Stern, 30 Broad St., New York 4, N. Y.

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Continental Insurance Company-Analysis - Carreau & Company, Mercantile Stores-Memorandum Timken Roller Bearing Co .-115 Broadway, New York 6, N. Y. Crown Photo Inc. - Analytical N. W., Atlanta 1, Ga. brochure - Johnston, Lemon & Meridian Electronics Inc .- Report Co., Southern Building, Washington 5, D. C.

ssue of "Investor's Reader" -Merrill Lynch, Pierce, Fenner & Pl., New York 5, N. Y. Smith Inc., 70 Pine St., New York 5, N. Y. In the same issue are discussions of Controls Company of America, Heriz Corp., Ekco Products Company, National Cash Register Co., Indian Head Mills Inc., Spencer Chemical Co., Goodyear Tire & Rubber and Charles of the Ritz.

Dodge Wire Corp. - Analysis -Varnedoe, Chisholm & Co., Inc., Savannah Bank & Trust Building, Savannah, Ga.

Dorsey Corp . - Memorandum-Purcell & Co., 50 Broadway, New York 4, N. Y.

Dow Chemical - Memorandum available is a memorandum on pany-Report-M. W. Janis Com- Beach, N. Y. Truck Lines.

Duquesne Light Corp.—Analysis— Halle & Stieglitz, 52 Wall St., New York 5, N. Y.

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First National Bank of San Jose-Memorandum-Jacoby & Co., Inc., 610 South Broadway, Los Angeles 14. Calif.

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General Instruments - Memorandum-Uhlmann & Co., Inc., Board of Trade Building, Kansas City 5,

-F. P. Ristine & Co., 15 Broad St., Loewi & Co., Inc., 225 East Mason New York 5, N. Y. Also available St., Milwaukee 2, Wis. Also available are memoranda on Bowman Products and Snap On Tools.

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Hooker Chemical Corporation -Analysis-A. C. Allyn & Co., 122 Also available are analyses of A. E. Staley Manufacturing Co. and Texas Gas Transmission Corporation.

Horne's Enterprises Inc. - Analysis-Johnson, Lane, Space & Co., Inc., Florida Title Building, Jack-Refining Corp.

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New York 4, N. Y. International Paper-Chart analysis-Auchincloss, Parker & Red-Colgate-Palmolive-Memorandum path, 2 Broadway, New York 4, N. Y.

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Irving Weiss & Co., 40 Exchange Walnut Grove Products Co., Inc.-National Tea Company—Analysis

-Eastman Dillon, Union Securi- cago 4, Ill. ties & Co., 15 Broad St., New Westgate California Corporation—York 5, N. Y.

Pacific Gamble Robinson Co. -Bulletin - De Witt Conklin Or- las 1, Texas. ganization, Inc., 120 Broadway, New York 5, N. Y

Pacific Vitamin-Memorandum-Norman C. Roberts Company, 625 Broadway, San Diego 1, Calif.

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> Porce-Alume - Data - Pearson, Murphy & Co., 50 Broad St., New York 4, N. Y. Also available are data on Vanguard Air & Marine

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Standard Oil Company of California-Report-Blyth & Co., Inc., 14 Wall St., New York 5, N. Y.

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State Loan & Finance-Memorandum-A. G. Becker & Co., Inc., 120 South La Salle St., Chicago 3, III.

Colby & Co., Inc., 85 State St., Boston, Mass.

Sunbeam Corp. — Report — A. M. Kidder & Co., Inc., 1 Wall St., New York 5, N. Y. Also available are reports on Chemetron Corp., Thomas & Betts, Carlisle Corp., Ferro Corp., Van Waters & Rogers and Pacific Petroleums.

& McKinnon, 2 Broadway, New York 4, N. Y. Also available are bulletins on Daystrom Inc. and Colgate-Palmolive Co.

-Courts & Co., 11 Marietta St., Analysis-J. R. Williston & Beane, 2 Broadway, New York 4, N. Y

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The Economic Consequences Of the Berlin Crisis crease, for gold coins are a most attractive form of wealth during

By Paul Einzig

Dr. Einzig points out necessity of assessing likely economic effects of prospective increasing gravity of Berlin political embroilment. While citing inflationary and expansionary effects of military buildup, he also calls attention to offsetting potentialities, as additional taxation, reduced buying by scared consumers; and, in the stock market, investors' yearning to increase liquid reserves. Maintains missiles' range eliminates "safe" areas. Expects increased gold demand; and cites vulnerability of Western non-German currencies.

LONDON, England—The disturbing effect of the East German measures to prevent the flight of population to West Berlin is a foretaste of graver things to come. Nobody seriously expects war as a result of these measures alone, even though they constitute a flagrant Hitlerian-style breach of a freely negotiated agreement. But this first step is likely to be followed by others which are tional political situation and are likely to entail adverse economic come under the influence of inconsequences.

Dr. Adenauer's threat of economic blockade of the Communist Owing to the range of inter-concountries by the Western Allles tinental missiles, there are no is not likely to be followed by action. For one thing, the Soviet complete security to the investor, bloc can retaliate by cutting off even though distance is still an all communications with West advantage, and the proximity of Berlin. Besides, economic sanc- important targets a disadvantage. tions have always been utterly ineffective as means to bring pressure on aggressive countries. They would hurt industrial firms in Britain and other free countries, since they have re-tooled to the production of goods to Russian and satellite countries specifications, and this capital outlay and the cost of the goods in the pipeline would be a dead kets, but as and when the crisis nancial benefit from the military loss. All this might become inevi- will be approaching its climax, measures taken for the sake of table, but only in retaliation for we are likely to witness a gold their protection. a cutting off of communications with West Berlin and not for the present measures.

Military Costs

Since it seems certain that during the next few months the Berlin crisis will become increasingly grave it is necessary to envisage the economic effects of that crisis. Already all Western Governments have announced military measures which will cost money and whose effects is bound to be inflationary unless special taxes are introduced to cover the additional expenditure. The extent of the additional outlay does not at present appear to be very substantial, but it is possible that the military preparations will have to be greatly increased as and when the situation will become increasingly threatening.

For this reason there can be no doubt that the undertone of the economy will be distinctly inflationary during the next few months, that is, the existing inflationary undertone will become accentuated. This should mean an improvement of business prospects, but the other side of the picture is represented by the incalculable effect of the political uncertainty on consumer demand and on capital projects. Will the public react by abstaining from unnecessary spending in order to accumulate liquid reserves? Or will they increase their purchases in anticipation of higher prices and shortages of supplies? Will industrial firms slow down their expansion for the sake of increasing their liquidity, or will they go ahead full steam in anticipation of the inflationary boom? The answers are likely to vary from case to case, but it seems that on balance the threat of a conflict over Berlin will have a restraining effect rather than a stimulating effect:

Stock Market Implications

Stock Exchanges are not likely to benefit by the inflation, partly because of the anticipation of this restraining effect, but mainly because a threat of war is likely to induce investors to increase their liquid reserves, and because the remotest possibility of a destructive nuclear war would make equities appear unattractive to hold. As for government loans likely to aggravate the interna- and other fixed interest bearing securities, they are bound to flation prospects, in addition to the influence of a war threat. "safe" areas which would offer

Increased Gold Demand

creased demand for gold. Already involved. But possibly an aggrathe beginnings of that movement vation of the Berlin situation are clearly noticeable in the Lon- might induce them to see the

boom comparable to that of 1960. J. R. Clarke on metallic value is certain to increase, for gold coins are a most European Trip acute troubles.

The outlook for foreign exchanges is very obscure. In this crisis, Western Allies are all together, so there is no particular political reason why sterling should weaken in terms of dollars, and even less reason why it should weaken in terms of the currencies of countries which are even more exposed than Britain. The slight depreciation of sterling in terms of D. mark in response to the latest East German move came as a surprise. However, the foreign exchange market interpreted these measures as a bear point for sterling, possibly because sterling is still rather sensitive in spite of the reinforcement it has received, so that it is liable to tend to weaken each time something happens that affects adversely all Western currencies. A much more likely reason is that it will become necessary for the Allies to send additional reinforcements to West Germany. This will mean a further deterioration of the British balance of payments and an improvement of the West German balance of payments, unless Britain will insist this time that West Germany must bear a larger proportion of the cost of the defensive measures. Although West German politicians and the Press have been urging the Allies to adopt firm measures, they gave no indi-An aggravation of the Berlin cation of any willingness to incrisis is certain to lead to an in- crease their share in the expenses don, Paris and other bullion mar- gross unfairness of deriving fi-

J. R. Clarke, Vice-President of WASHINGTON, D. C. - The In-The Dominion Securities Corporation, 40 Exchange Place, New York City, has left on an extended business trip to Europe where he will visit England, Scotland, will return to his desk Sept. 29.

I. S. Freedman Opens

Irving S. Freedman is engaging in a securities business from of-fices at 21 East 40th Street, New York City.

Geo. Gilligan Co. Opens

PATCHOGUE, N. Y.-George Gilligan & Co., Inc. has been formed with offices at 83 East Main Street, to engage in a securities

Form Growth Organization

from offices at 11 Broadway, New York City.

Now Douglas Barr, Zrike Bank Leumi

The firm name of Fifth Avenue The firm name of Fifth Avenue Investors, Inc., 745 Fifth Avenue, Agency Now New York City, has been changed to Douglas Barr, Zrike, Hart & 136th Branch Alkazin, Inc.

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LITTLE ROCK, Ark. - The firm name of The Huntley Corporation, lowing the conversion of its New 1321 Lincoln Avenue, has been changed to Chartered Securities at 60 Wall Street, New York City. Corporation.

Edlin-Goldman Formed

Edlin-Goldman-Robinson, Inc. has been formed with offices at 635 Madison Avenue, New York City, 115 Broadway, New York City, to

IBA Appoints John M. Nash

vestment Bankers Association of America has announced the appointment of John M. Nash as Assistant Municipal Director for Public Education. Mr. Nash for-Switzerland and Germany. He merly served as a marketing specialist with the Westinghouse Electric Corporation. For five and one-half years, he was Director of Public Relations for the Maryland Division of the American Cancer Society. Mr. Nash is a veteran of World War II and the Korean conflict. He attended Fisher College, Boston, Mass., where his major was business management. He obtained his B.S. Degree in marketing at the University of Baltmore. His activities with the Investment Bankers Association will have to do with sales promotion, advertising, public education and public information about municipal se-Growth Organization Incorporated curities, with the over-all objecis conducting a securities business tive of broadening the municipal market.

The Bank Leumi Le-Israel announces that it is now licensed to accept deposits and provide commercial banking services fol-York Agency into its 136th branch

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Outlook for Production Costs by figures, is mostly limited to try in South East Asia. We made take an example of one of our this analysis because the product own products, chlorothiazide. The dustry. In the U.S.A. and Abroad

By Dr. Antonie T. Knoppers,* President, Merck Sharp & Dohme International Division of Merck & Co., Inc., New York City

Half truths about foreign production costs vis-a-vis our own as well as future cost trends affecting foreign operations and competition in the years ahead are analyzed by Dr. Knoppers with respect to chemicals and pharmaceuticals. Our production volume is said to have kept us, so far, from being priced out of world markets which would not have been the case if costs abroad were based on "equal volume and efficiency." Factors affecting our cost advantages in the future examined by Dr. Knoppers include comparative wage growth and relationship between wages and production, and Europe's more liberal tax and depreciation policy which spell lower cost of product abroad. Explained are the reasons U. S. firms must invest abroad; the harmfulness of recent proposal to tax U. S. earnings abroad; the need to obtain lower tariffs abroad; and the need to achieve labormanagement statesmanship. The outlook need not be pessimistic, Dr. Knoppers concludes, if we take the remedial steps he suggests.

which determine the competitive are so multifold, interrelated and position of any company, produc- sometimes two-sided, that in dis-

tive that we determine "cost of product" trends before we decide where and how to expand our operations. This becomes more even imperative in achanging world, that is gradually becoming regionalized in-



Dr. A. T. Knoppers

Markets" and

Among the many complex factors tors influencing cost of product tion costs rank in the forefront. cussing this subject I feel self- ment and innovations, and large It is impera- admonished: "fools rush in where effective product research and angels fear to tread." But there is one certainty recently expressed main by Per Jacobsson that "the good tion. Lord has given the American people no dispensation from ordinary economic principles such as the basic importance of cost of product."

Production costs is defined as the sum total of all expenditures incurred in the manufacturing operations of specific products. Such costs include material purchases, labor cost and utilization, and overhead expenses. Excluded from production costs, however, are those expenses incurred in the to larger units, such as "Common selling, distribution and general "Free Trading administration of business, i.e., operating expenses. There are I have become very much aware substantial differences in the of the complexity of the subject, practical application of this prinof the often repeated half-truths ciple: country by country, comconcerning the actual situation pany by company, and on down and of the uncertainties of pro- the line. It goes without saying the "cost of product" in an out- involved, whether this factor is

Volume Makes Our Costs Competitive

In comparing "material cost," "labor cost" and "overhead ex-penses" in different areas of the world and the U.S.A., one could easily arrive at the conclusion that the U.S. is at a disadvantage in the aggregate of these major factors. One would tend to subscribe to that half-truth that "we are pricing ourselves out of the world markets," were it not for an overriding factor, volume of production. Presently, in many fields, the paradox is that due to volume the U.S. is competitive, in the sense that high labor costs per man hour, which is income, creates in many cases a large buyer's market, volume production and consequently lower costs per unit. Generally speaking, due to this factor the U.S. can produce many goods in large volume in a competitive way. Such a market calls also for product improvemaintaining a competitive posi-

The three main components of of total cost). "cost of product" mentioned, such analyzed on an area by area basis. cense. stability, economic personnel availability, process efficiency (in opener. our industry), labor-management relations, taxation and depreciation practices.

cost of building a plant in this in the U.S.A. The reason was not had to be imported, but also the necessity of building facilities (power, steam, waste disposal) for one product rather than for a broad production mix as we have U.S. Added to this we found that the raw materials we needed are generally higher priced in that completely submerged the lower labor costs.

Let us now take a closer look cost of product in some major countries. I refer especially to Japan and to Western European countries such as the U.K., Holland and West Germany. In discussing comparable data at equivalent production volumes and production techniques, production costs abroad in our type of industry are lower than those in the This will be generally true development, a prerequisite for in those manufacturing operations where labor and overhead cost are significant (one-third or more

It is necessary to mention procas material cost, labor utilization, ess and production efficiency in and direct overhead, are strongly our industry as vital cost deterinfluenced by factors of geogra- mining factors. Some of our enphy and national economic struc- gineers visited recently a number ture. Therefore, the outlook for of foreign factories, producing the production costs abroad has to be same product under a Merck li-The difference in effi-Such infuencing factors are: the ciency between factories, even availability of natural resources, using the same or analogous process was striking - a real eye

Concerning raw materials, an analysis of the major items-\$100,000 or more-purchased by In planing production abroad our company indicates that more one does well to project and bal- than 50% of them could be purance these factors carefully. Re- chased cheaper in foreign councently we analzed the cost of tries. It depends naturally on the jecting into the future. The fac- that this presentation, supported lying, moderately developed coun- favorable or unfavorable. Let us

in that country. We found that the chlorothiazide is about 56% more in England than in the U.S. and case was substantially higher than 160% more in Brazil. In our case, this increase is not necessarily only that most of the equipment due to higher purchase price of ingredients but rather to substitution of materials for those specified in the U.S. process, and less efficient utilization of solvents. Substitutions of local ingredients in the large volume market of the are often necessary because of import duty restrictions which may either prohibit importation of U.S. material or render the landing outlying country. These factors cost exhorbitant. In Japan, for example, the higher raw material prices prevailing in the chemical industry are due to a marked scaron the major factors governing city of these indigenous materials, so that much of Japan's imports of petrochemicals are from the Western Hemisphere, carrying heavy freight charges. European countries, too, are deficient in some chemical raw materials. However, it is worthy of note that any cost advantage in the U.S. today in petrochemicals (and many other industrial chemicals) may be short-lived because of rapid development of foreign chemical and petrochemical industries.

Where We Are at a Disadvantage

In labor costs we are everywhere at a large disadvantage. Skilled workers in our industry earn (including fringe benefits) \$3.45 per hour, vs.

West Germany	\$1.18
U. K	1.16
Belgium	1.109
Italy	.83

This is also true for typists, bookkeepers, clerks, etc., whose activities also form part of the cost of product. The remuneration of supervisory, academically trained personnel in foreign countries is substantially lower than in the

A typical illustration is provided by the cost analysis in three countries for Vitamin C produc-

		Inventor	
Labor		W. Ger. 4% 57 22	Japan 3% 54* 21
	100%	73%	78 %

ir fa

pr co pr ex ap we ve

slo fie du bu

*Here the U.S. is at an advantage. I am certain that when we project costs beyond the inventory level to establish total cost of product, the difference between U.S. and foreign producers becomes even more adverse for us.

The factory overhead is higher in the U.S. due to many factors, one of them the plant construction cost. We know, for instance, that a plant for one of our products, producing an equal volume, could be built for 78% of the U.S. cost in Holland, for 70% in Great Britain and for 50% in Japan. The figures for pharmaceutical office and warehouse building cost are

In practice, the volume factor pops up again, for example, the production of Vitamin C abroad is a large quantity one. In many other cases the cost of product can be higher in a foreign country as the volume consumed in the U.S. is much larger than in the country involved. Chlorothiazide is an example.

We have examined the cost factors operating to the advantage or disadvantage of foreign chemical - pharmaceutical firms, and determined that in one industry (and I suspect in many others) the total production cost tends to be less abroad on equal volume and efficiency.

Future Comparative Wage Trends

The most important question however is: How will future trends affect foreign operations and fereign competition in years

It is quite pertinent to give immediate attention to cost of labor and also take into account pro-

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NEW ISSUE

August 24, 1961

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meet again a half-truth (and at bring industrial chemical prices in the European countries and in an even greater unity, in other Japan. So far so good, but the conclusion that shortly the importance of the dramatic wage difference between the U.S. and other countries will vanish, falls in the category of wishful think-

There are two trends to which we should give attention: the comparative growth of wages and the relation between wages and productivity. Indeed wages in Western Europe increase faster than in the U.S., but the "baseline" causes severe consequences. We learned before that the chemical industry wages in the U.S. for skilled workers are about \$3.45 per hour vs. \$1.18 in West Germany (I take the most favorable example, as in Holland and Italy wages are well below \$1.00). Now let us assume realistically that wages will increase annually 3% in the U.S. (at Merck the 6 year average is about 4%) and in West Germany 6% (about the registered average). This development looks quite impressive. But the figures are not! Let us take as a starting point: U.S. \$3.45 per hour and West Germany \$1.18. After one year the situation would be: U.S. \$3.55 per hour vs. West Germany \$1.25. The absolute gap between the U.S. and West Germany has widened from \$2.27 to \$2.30. And after a decade: the U.S. \$4.62 per hour and West Germany \$2.12. The absolute gap has still widened: \$2.50. Then the situation starts to improve slowly, but on this basis it will take 37 years to close the gap! I am fully aware that this extrapolation into the future goes much too far. Still the figures suggest a hard fact.

Now let us look at the pro-ductivity advantage. Certainly, American industry generally produces more per man than foreign industry. In this advantage two factors are involved: the effi-ciency of American industrial facilities through automation, technology and volume, and the skills of the American workers. Parenthetically, I would like to mention that this last advantage seems to weaken. There are indications that some American workers have become much more interested in the actual wage than in the pride of workmanship. The handling of actual figures in this domain is full of pitfalls. I take, therefore, the extreme of Italy as compared with the U.S.

In Italy taking 1953 as 100 industry wise, real wages were 106.7 in early 1960 and productivity 181.9. In the U.S. the similar figures are for 1959 (1953 as starting point as well) real wages 115 and productivity 124. Other continental European countries fall in between.

This means that while in the U.S. the far greater part of the increase of productivity was dis-tributed to labor, increasing local buying power, in Italy it reduced production costs, making that country more competitive in ex-port markets and also creating an expanded and upgarded technical apparatus, although the Italian worker can only profit by this development at a later date.

However, the fact that the gap between wages in the U.S. and Western Europe might close quite slowly, especially in the 60's, is not without advantage. It signifies that in selected fields of pro-duction which are dependent on buving power of the people, we will be able to hold the volume of other countries).

ductivity (a factor somewhat neg- trade blocs like the Common Mar- My presentation might look some- ductivity and labor peace are by We assume that generally there standing some differences of opinwords: the U.K. might go really European!

Europe's More Liberal Taxes And Depreciation

Another major factor influencing cost of product is taxation, strength. Generally speaking, taxation is more liberal in Western Europe. Labor-Management Statesmanship This is true also for depreciation stance, permits depreciation almany and Holland operate at a real advantage as well. Generally speaking, the U.S. Federal tax rate of 52% levied on profits of domestic U.S. companies ih higher than that of most other leading nations.

In other words, the progressive and realistic tax systems in most other countries also act as stimulants to industrial and economic expansion, and the liberal depreciation schedules tend to improve industrial output, job opportunities and ultimately purchasing

For most progressive American companies competing with each other, the income from exports and from foreign operations has become an essential part of their present earnings, and more important of their future. With the presented facts in mind, indicating lower cost of product abroad, aggravated by tariffs, local laws and customer preference, it is not surprising that many American firms must protect their interest through complete production, or produce from intermediates in foreign countries. This is no matter of choice but atough reality: either we take this step or lose the market. We have striking figures that our foreign operations not only produce favorable returns in earnings, and have a very positive influence on the balance of payments, but also increase employment in the U.S.

It is therefore astounding, that the tax proposals presented to Congress tend to weaken the position of foreign operations essen-At present, our foreign subsidiaries are locally taxed gencrally in the same way as companies of the country involved. In other words, a fair situation of equal position in competition is maintained. Like those companies, we can decide how much to remit (in our case to the parent company) and how much to reinvest. The remittances are then taxed in the U.S. and the firm gets credit for the tax paid in the foreign country. The present proposals call for immediate taxation of undistributed earnings at the U.S. rate, putting U.S. subsidiaries at a disadvantage in a highly competitive world. The present proposals would also be damaging to joint ventures, politically advocated by the government.

The whole tax package — tax credit rather than better depreciation rates, the foreign part and even the expense account-looks somewhat impractical.

I have consciously omitted references to the threat of competition from the Sino-Soviet bloc, as I do not know how to compare cost of product. But this does not

alleviate this major threat. Referring again to the quotation from Per Jacobsson, that the U.S. has no dispensation from the basic importance of cost of product, and viewing the trends of the past in production factor to our advant-age. This is the category of rela-the future, the problems facing us age. This is the category of relatively high added value goods in mass production. (Therefore, it is highly advisable that in GATT negotiations we try to obtain for such goods lower tariffs in other countries). the future, the problems facing us are severe. We have to remain competitive by exports and by foreign operations, we have to safeguard our domestic economy by the purchase of the needed materials abroad, and we have to The development of the large protect our balance of payments.

be taken to change the pattern. cial attitude toward export and policies on tariff negotiations, striving there for real reciprocity, looking for results supporting our

that their motivation was the foreign investment and in our same: the respect for real freedom in the frame of social justhe hours of frustration, of unused confronting us. time, they had their lectures, their discussions, their exchanges of opinions, which resulted in so-The management-labor relation phisticated management-labor repolicies, which is reflected in a seems to be a dominant factor. It lations after the war through a faster write-off for original cost might be interesting that in the Foundation of Labor with inde-and improvements. France, for in- country of my birth, The Nether- pendent economists, serving both SALT LAKE CITY, Utah—Ferrie lands, this problem seems to have industry and labor. The result: an lowances on replacement value, been solved. The parallel there expanding economy with full em-Firms in Great Britain, Italy, Ger- between wage increases and pro- ployment.

I would not recommend this lected hitherto). In this field we ket and the EFTA will certainly what pesimistic, but steps could no means a coincidence. It is history as a method, but it is a based on one of those freaks of true parable teaching us that this time a soul-appeasing one). down. The tendency, notwith- Others have done that, too. We history. In 1944 the Nazis put the many problems can be solved. We have to become very realistic in captains of industry and the labor have succeeded in mass producwill be a rising pattern of wages ion in the Common Market, is for our management-labor relations, leaders in the same concentration tion for a large consumer market. in our system of industrial depre- camp. There they learned to re- I do not see any reason why we ciation and taxation, in our offi- spect each other. Both groups saw could not succeed in creating awareness and understanding through mass education. democratic country this will be tice. They stood up for it. But in the solution to the grave problems

^oAn address by Dr. Knoppers before the 45th Annual Meeting of the National Industrial Conference Board, New York

F. A. Mathie Opens

A. Mathie is conducting a securities business from offices at 10 East Stratford Avenue.

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NOT A NEW ISSUE

August 23, 1961

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Monetary Policy's Role in Assuring Economic Growth

By C. A. Matthews, Chairman, Department of Finance & Insurance, University of Florida, Gainesville, Fla.

Positing savings-lack hinders advanced as well as underdeveloped countries' growth, finance professor declares monetary policy's chief contribution to savings should be to thwart price inflation. Prof. Matthews takes exception to the claimed effectiveness of an interest rate deliberately set below expected earnings upon the investment level, and of employing price inflation to induce forced savings or to promote equity flow at the expense of debt financing. He warns that a forced draft may collapse and an increased money supply to make money cheap may nourish enlarged liquid balances. The writer maintains savings are correlated with interest rates, and monetary policy influences total effective demand-costs and availability of funds. He would leave to government policies and not to easy money the direction of investments, and insists the best monetary policy cannot compensate for fiscal shortcomings.

Last year, the Joint Economic Committee of Congress held extensive hearings; published 22 study papers, a staff report and

a committee report which included majority, minority, supplemental and additional views-on the subject "Employment, Growth and Price Levels." No respectable economic organization has convened in recent years which



C. A. Matthews

did not include this general topic on its agenda. Nor has any reputable economic journal appeared for a year without at least one article adding to the voluminous literature which purports to deal with the question of monetary

policy and economic growth. By economic growth is meant an increase in total production of goods and services. The rate of in order to provide a larger outterms of money value-or Gross real goods and services. That part major determinants of the rate of

policy, we shall assume this to mean that policy applied through the use of general credit controls, i.e., variations in the rediscount rate changes in legal reserve requirements, open market opera-tions; and the use of the selective control of variations in margin requirements.

There are several schools of thought concerning how monetary policy influences economic activity. One of the most extreme is represented by Anatol Murad, who says, in an article published in the Southern Economic Journal for January, 1956, that prices and economic activity cannot be regulated through control of the money supply and that the Federal Reserve Authorities need have no fears about inducing inflation nor any guilt about causing depres-

Denies Monetary Policy Is Ineffective

This position cannot be substanthe financial news leads to the conclusion that monetary policy as applied by the Federal Reserve has influenced the course of ecothis increase should exceed the nomic events. Most leading ecorate of growth of the population nomic historians contribute to monetary forces some effect on output is generally measured in trends, and on economic fluctua-National Product — it should be is represented by a large group emphasized that we are interested of economists who hold that while in the growth in production of monetary policy is not one of the of any increase in GNP which economic growth, it can do much consists of price increases contrib- to promote such growth. They utes little to the economic welfare. contend that monetary policy pro- have been rising steadily for a In our discussion of monetary motes growth by helping keep period of time, and if they are

line with the capacity to produce and by helping to provide an environment favorable to savings and investment.

savings, I think it is the general that the major factor limiting consensus of economists that the growth in thse countries is the volume of savings is largely a function of the level of income, crease savings it is necessary to its distribution, etc. Two other decrease consumption. But the forces which influence the volume of savings are the rate of interest and expectations. Monetary policy exerts its influence on savings through either or all of these. Since savings are considered a function of income, and the level of income is generally regarded as determined by the volume of upon the economy. expenditures, we shall discuss the One possibility effect of monetary policy on income in connection with investments. It should be emphasized at this point, however, that where a high and sustained rate of economic growth is desired, maintaining the level of income, and hence of savings, is an essential objective of monetary policy.

Savings Correlated to Interest Rates

The idea that savings are positively correlated with the rate of interest is an old one. During the decade of the thirties this was largely discarded. In the period since World War II, the idea has been revived. The present reasoning is that during periods of tight money, when the rate of interest is rising and availability of funds limited, business concerns attempt to insulate themselves from the higher market rates and to assure themselves funds needed for expansion through larger retained earnings.

Support for this position has been developed, to some extent, by those who criticize monetary policy on the basis that it discriminates against new, small, and tiated. Only a casual reading of weak firms, in favor of the large, well-established businesses. On the other hand, doubt has been cast on the discriminatory nature of monetary policy and hence on the positive correlation of interest rates and savings because of the length of time required to accuput per capita. Since the economic the level of prices, on economic mulate funds needed for capital expansion. It is possible, however, tions. Another school of thought that firms can meet larger working capital requirements, which accrue in smaller doses, from retained earnings.

There has developed considerable support for the effect of expectations on savings. If prices

ers may decide to consume more in the present. If this is a general trend then the volume of savings will be adversely affected.

We are inclined to associate this process with underdeveloped Considering first the question of countries. It is generally regarded lack of savings. In order to inlevel of income for large segments of the population is so low, and the propensity to consume for these same segments so high, that an increase in voluntary savings is extremely difficult. Consequently, there is a tendency to adopt policies to force savings

One possibility is to increase taxes in order to reduce total consumption and transfer real savings to the government sector. disadvantage, however, in that to be successful it must, in the initial stages, weigh heavily on low income groups. Taxes which fall primarily on the high income groups would probably not matemajor part of voluntary savings in their countries. This is not to deny, however, that it may be advantageous to use the tax power where they would contribute more ings. to economic growth.

Leary of Inflation to Induce Savings

objective, either explicitly stated or implied, has been to force savings through rising prices. It is difficult to appraise the net effect on total savings. It is possible that as prices increase, especially if the rate of increase is high, that voluntary savings will fall as forced savings rise. It is also possible that voluntary savings will be further encouraged to seek investment in those sectors which offer protection from erosion by inflation. Funds will flow into real estate, jewelry and precious stones, foreign exchange, etc., where there is little contribution to economic growth. The regions. development of financial institutions will be hampered. Not only will the savers become more leary of holding financial investments in the form of bonds, time deposits, etc., but they may be more reluctant to acquire interest in public utility type entereconomic development of the underdeveloped countries.

in schools, in housing, etc., plus price increases. the desire for ever expanding standards of living which necessitates expanding private invest-

total money demand for goods in expected to continue to rise, sav- ume of savings which is necessary to provide the investment needed to obtain the desired level of growth?

We believe that monetary policy can make its maximum contribution to savings only if (while contributing to high levels of production, employment, and incomes) the public is convinced that dollars saved today will purchase approximately as much next year, and next decade as they will today. A monetary policy which contributes to a persistent and steady rise in prices cannot do this. A monetary policy which extracts forced savings from the economy cannot do this. A monetary policy which achieves intermittent stability of prices between persistent upward adjustments does not adequately

Failure to achieve price stability will not necessarily be re-Such an approach has a distinct flected immediately in the volume of savings. But eventually persistent price increases of the magnitude of those which have occurred in the United States over the last two decades will take their toll. G. L. Bach estimates rially increase total savings. These that rising prices in the United groups already account for the States have wiped out over half a trillion dollars in creditors claims (measured in 1957 prices) since World War II. Such price

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increases encourage spending for to redirect savings into channels consumption and discourage sav-Two other possible effects of price level changes, and hence of monetary policy on savings deserve attention. Both relate to Underdeveloped countries have alterations in the flow of savings. resorted to monetary policy to It is conceivable that as a result encourage economic growth. The of expected price increases more savings will seek equity investments. Current savings will tend to by-pass many existing financiał institutions. These institu-

tions are largely in a debtor relationship to the saver and in a creditor relationship to the investor. Consequently, if emphasis is placed on acquiring variable income assets, then the savings will flow through other media into investments. The economy may find it difficult to find adequate substitutes for the services rendered by these financial institutions such as the allocation of funds to firms, industries, and

Effect of Increased Equity Flow

The other possible effect of price level changes on the flow of savings is to provide a larger volume of equity capital. This raises the question: How will a larger flow of equity funds influprises which are rather basic for ence the rate of economic growth? Two potential effects may serve to indicate the wide range of Although in the more economi- possibilities. It may be favorable cally developed countries, main- to a faster rate of growth. Risk taining an adequate level of capital, seeking higher rewards investment has been considered should encourage innovations, the major problem for economic new endeavors, etc. Furthermore, growth, there is an increasing many firms unable to acquire tendency to consider the possi- funds as debtors may be quite bility that the volume of savings attractive as speculative ventures may be, or may become, the and hence would benefit from limiting factor. This position has the changed flow of savings. On hear stated recently by D. H. been stated recently by D. H. the other hand, the redirection of Robertson, of Cambridge Universavings may encourage speculasity and by Professor William J. tion within the economy. This Fellner of Yale. Their concern may contribute to the hoarding of is that the volume of savings — goods, to a non-productive ab-voluntary and involuntary—may sorption of factors of production, be less than needed to provide and to serious deterioration in the growth desired. If we conthe quality of production. The sider the pressure for public net effect is likely to depend on the investment in defense, in roads, the degree and duration of the

While there is some tendency ment, it is conceivable that the among economists to conclude volume of savings may be the that monetary policy is more effactor limiting economic growth. fective in influencing savings in If to these demands we add the underdeveloped countries than in desire for capital on the part of developed countries, the opposite underdeveloped countries which is true with respect to investthe industrial countries are seek- ments. Opportunities for investing to aid, for political and other ments and the prospective returns reasons, the possibility emerges are so high in the less developed as a distinct probability.

sections of the world, that it sections of the world, that it The question then becomes: follows quite logically that mone-How can we obtain the total vol- tary policy is not required to

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

70,000 Shares

Sjostrom Automations, Inc.

CLASS A COMMON STOCK

(Par Value \$.10 per Share)

PRICE: \$4.00 PER SHARE

A copy of the Prospectus may be obtained from the undersigned only in states in which the undersigned is qualified as a dealer in securities and in which the Prospectus may be legally distributed.

J. I. MAGARIL COMPANY, INC.

stimulate investment through low small may be large enough so tuates with market conditions, the to the type of growth which is would be successful — to curtail total investment through forcing from these risks. already high rates of interest even higher. Such a policy would probably result in curtailing investments which are considered most desirable from an economic and social point of view, without speculative investments.

imposed by the lack of incentives the expected rate of return. And reductions in the money supply-

May Cause Forced Draft Ending in Collapse

of interest at a low level for strong reasons against it. substantial periods of time. There may be some question as to the effectiveness of the rate of interest on the level of investment. If the expected reurn from investment has fallen to levels approaching zero, or is negative, rates of interest and availability conditions characteristic of depressions such as that of the 1930's, then monetary policy may lating demand. To maintain total be ineffective in stimulating in- demand it may be necessary to vestment spending. But during supplement monetary policy with overall economic growth. periods of relatively full employ- other government policies dement and high levels of income, signed to increase the level of conditions which are characterized by the post-World War II period, monetary policy should be able to keep the rate of interest below the expected rates of return. Two possible problems growing out of this policy deserve consideration.

The first relates to the ability to sustain growth if the rate of interest is kept "too low." If, for example, we decide that the economy should grow at a rate the influence of policy on the diof 5, 6, or X% per year and proceed to use monetary policy to help achieve this rate of growth, what are likely to be the con- eized because it regards the consequences? If there are numer- struction of schools, homes, roads, ous investment projects which and other community facilities. If would be undertaken at slightly these charges can be substantilower rates of interest, then any ated, then the verdict should be reduction in interest rates is likely to induce substantial in- before we do, an examination of creases in investment spending, the allocation of funds and the-The result may be an increase in effect on economic growth must capacity to produce which exceeds the willingness of the economy to purchase the end product. The economy has moved ahead under forced draft only to end up in collapse.

Liquid Balances Increase as Money Supply Goes Up

The second problem grows out fit from an easy money rates low enough to achieve the declined in 1956 and 1957, a pefixed income assets. There are policy. two reasons why the additional An examination of total starts, money supply flows primarily however, fails to reveal some ininto liquid balances after the rate teresting trends. From 1955 to rates to fluctuate. If they are at while those financed under conhistoric low levels, then the pres- ventional mortgages increased. ent trend must be reversed. To During this time the average rate commit funds to fixed income se- of interest on long-term Aaa corcurities at prevailing rates will porate bonds increased 1.15%, the mean a capital loss as rising mar- yield on long-term U. S. Treasury price of such securities. The other VA mortgages remained fixed reason for preferring cash bal- while the rate on FHA mortgages ances at low rates of interest was raised only 0.25%. Since stems from the risks associated housing starts financed with conwith holding assets. The prob-ventional mortgages increased and ability of loss from default while the rate of interest on these fluc-

rates of interest. Nor is it con- that the prevailing rate of inter- question might be raised whether preferred. This may be true, but G. A. Saxton Co. sidered desirable-even if there est is inadequate compensation were reasons to think the effort for parting with liquid balances which offer complete protection

The accumulated balances pose potential problems for the authorities because of the possibility that some event - such as a Korean incident-may drastically influencing materially the more the accumulated balances be exalter expectations. Not only may changed for goods and services In the more developed coun- but the propensity to consume out however, it is usually of a given level of income may considered that the volume of increase, stimulating an expansavings is so large, and the ac- sion in investment spending. The cumulation of capital so great, task confronting the monetary that limitations of growth are authorities becomes one of limiting total effective demand. Modto invest. There are two ways est decreases in the money supply in which monetary policy may may be more than offset by ininfluence investment creases in velocity of circulation. decisions. First, it may be used Efforts to offset changes in veto keep the rate of interest below locity may require such large second, it may be used to main- which would need to be effected tain the level of effective demand largely through open market opand thus the level of expected erations - as to produce severe disturbances in the securities markets, especially the market for government bonds. The disruptive effects of the policy, coupled There is little question but that with the probable ineffectiveness monetary policy can keep the rate of it in the short-run would be

> In influencing total effective demand, monetary policy not only influences the cost of funds to borrowers but also the availability of funds. If there are no unsatisfied borrowers at existing of funds, then an easy money policy may be ineffective in stimuincome. If the two approachesmonetary and fiscal -- are coordinated then a total effective tors which are retarded in their demand may be achieved which encourages a sustained rate of economic growth.

Effect on School, Church and **Public Construction**

There is another aspect of monetary policy and investments which warrants considerationrection of investments. Monetary policy aimed at curtailing inflationary pressures has been critito abandon monetary policy. But be made.

There is some evidence to support the charge that housing construction has lagged behind other sectors of the economy during periods of monetary restraint. There is also some evidence that residential construction has been among the first sectors to beneof the increase in the money sup- Housing starts increased in each ply which may be necessary to of the three years from 1953 to maintain low rates of interest, or 1955, a period of monetary ease, desired level of investment. As riod of tight money, and increased the rate of interest falls it reaches in 1958, and again in 1959, which a level where the public desires were periods of ease and tightto hold cash balances rather than ness, respectively, in monetary

of interest reaches a low level. 1957 starts underwritten by the Past experience has been for government declined 348,000 units, ket rates force down the market obligations 0.67%, but the rate on

it was the tight money policy (and high rates of interest) which lim- low rates of interest might result Elects V.-Ps. ited housing construction, or the limitation on interest rates permitted on FHA and VA mortgages. Similar conclusions are able, from a social and political indicated by an examination of interest rate differential during the period 1957-1959.

The effect of tight money policies and high interest rates on school and road construction is more difficult to evaluate, but the forces at work are similar to those in housing. Many states or localities have placed limits on the rate of interest which may be paid by the state or its instrumentalities for the use of borrowed money. Hence, when market rates of interest rise above these limits by a sufficient amount to overcome the advantages to be received from a favored tax treatment and, possibly, a better credit position, the issuing government finds it difficult to sell its securities. Since schools and roads are typically financed with borrowed funds, it follows that these projects would be among those which tend to be curtailed during periods of tight money. Without the limitations, monetary policy would not curtail construction to the same extent as now maintained. Nor am I convinced that monetary policy has retarded economic growth because it has retarded growth in specific sectors of the economy. Some sectors are obviously more subject to influence by monetary policy than others. What monetary policy may have done is retard growth in these specific sectors in the short-run, but in doing this contributed to the long-run

Undesired Direction of Investment Spending

One may contend that the secdevelopment by monetary policy, are the sectors which should be developed first as they contribute most to long-run economic growth. In other words, monetary policy may contribute to stability and to sustained growth, but not shortcomings.

an easy money policy to achieve in an even less preferred direction of growth. It would encourage speculation and an undesirviewpoint, allocation of resources. What is needed is a change in other policies which will (1) permit these sectors to compete for funds on a competitive basis, (2) transfer income through taxation if necessary into those sectors which it is desired to promote, and (3) increase the mobility of the factors of production and encourage their transfer from declining regions and industries to those which are expanding.

In summary, economic growth in both developed and underdeveloped countries is, in our opinion, limited by the supply of savings. Monetary policy can ensavings and contribute to sustained economic growth through helping promote relative price stability. In developed economies, the problem of maintaining investment spending may also be a problem. A flexible monetary policy can make the maximum contribution to sustained growth by alternately encouraging and discouraging levels of investment spending. But while monetary policy may help obtain the desired level of investment spending, it may not achieve the resired allocation of investment spending. This is preferably achieved through other governmental policies and not through monetary policy.

This discussion also leads to a further conclusion. While monetary policy can encourage and Service. help maintain economic growth, it cannot assure a high rate of growth. Other policies are equally, if not more, important. Unless these are designed with the objective of economic growth, monetary policy, however wisely applied, cannot compensate for their under the firm name of Lane

G. A. Saxton & Co., Inc., 52 Wall Street, New York City, has an-nounced the election of Walter R.



Walter R. Johnson Frank W. Warner

Johnson and Frank W. Warner as Vice-Presidents of the firm. Both courage an adequate supply of have been with the firm for many

New Hutton Office

MANSFIELD, Ohio-W. E. Hutton & Co. has opened a branch office at 150-38 South Fairfax Avenue, under the management of Paul A. Woods

Also associated with the new office is Paul F. Cropper, Jr. Mr. Cropper was formerly local manager for Ball, Burge & Kraus.

Forms Inv. Planning Serv.

MIAMI, Fla.-David G. Kalmanson is engaging in a securities business from offices at 13020 S. W. 82nd Avenue under the firm name of Investment Planning

Forms Lane Co.

RICHMOND, Va. - Benjamin R. Lane, Jr. is conducting a securities business from offices in the Central National Bank Building Company.

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offering is made only by the Offering Circular.

NEW ISSUE

150,000 Shares

KLEBER LABORATORIES, INC.

Common Stock

(Par Value \$.02 per Share)

Offering Price: \$2.00 per Share

Copies of the Offering Circular may be obtained from the Undersigned in any State in which the Undersigned may legally offer these shares.

D. E. LIEDERMAN & CO., INC.

August 24, 1961

New Antitrust Directions in Pricing Policy and the Law

By James A. Rahl,* Professor of Law, The School of Law, Northwestern University, Chicago, Ill.

Law expert charts new directions in antitrust policy in the light of the electrical equipment case and the advent of the new Administration. He comments, also, on existing incongruities which can be potentially dangerous to both antitrust policy and business freedom if the practical reconciliations holding them in check should cease to operate. Professor Rahl predicts a shift in attention back to the more simple, but more clearly objectionable orthodox restraints, more investigations, and more serious penaltles for similar violations. Moreover, he expects the standards of proof will be tightened. Further, the doctrines of "implied conspiracy" and "conscious parallelism" or "price administration" will not by themselves be sufficient proof of guilt or of antitrust significance since in an economic sense they do not "demonstrate either actual or probable violation of the Sherman Act." Last but not least, the writer dashes cold water on the idea that antitrust laws have much to offer in solving price inflation.

In speaking of "new directions" in as applied to pricing. The antiantitrust law relating to pricing trust laws apply directly to pricpolicy, I cannot go into much that ing in three ways: (1) agreement

are of greatest current interest involve some very old problems, and I shall largely be discussing 'new directions" in emphasis concerning these questions.

Prices, from the dawn of history, have been a matter of concern to law - makers.

An interesting brochure recently published by the duPont Company, called "The Story of Prices" points out that earlier than 2000 B.C. the Babylonian Code of Hammurabi contained some price conand Justinian.

James A. Rahl

Accordingly, such things as the legislative investigations of "administered prices" by the Kefauver Committee, and the Government's attention, both in the man Act. On the other hand, old and the new administrations, prices which seem high in relato problems of suspicious uni-tion to costs may suggest that a formity of prices among competi- firm is reaping monopoly profits, tors, are all in an ancient tradi- or that a price-fixing combination rections" need to be examined.

To forecast new directions, we level. must first identify briefly the

is really novel. The things which on prices among competitors is prohibited outright; (2) discrimination in selling prices is made illegal in many circumstances by the Robinson-Patman Act; and (3) resale price control - so-called "Fair Trade" pricing—is given a qualified exemption, the avail-

ability of which is dependent upon state law.

There are a number of other important but less direct relationships between prices and antitrust. It is often said that the antitrust laws are not concerned with how high or low a firm's prices are, but only with the maintenance of conditions favorable to competitive determination of prices in a free market. But. this is only partly true. A seller's price on a given product in a given market could be so low over period of time that competitors might be driven out of business. trols, as did the regulatory efforts This could lead to a charge of of Egyptian pharaohs, the Hittites, monopolization under the Sherman Act, or of unfair method of competition under the FTC Act, or of selling at an "unreasonably low price" under the criminal provisions of the Robinson-Pat-

present directions of antitrust law how reasonable a price may he, few years?

tion if it is suspiciously identical with the prices of competitors, implying a possible conspiracy.

Considered abstractly, it therefore sometimes seems that to obtain complete antitrust safety, a businessman's price must be neither higher nor lower than those of others, but also must never be the same as others.

It is, of course, farcical to suggest that the antitrust laws really make a possible illegal consequence out of every kind of price. But it is true that to a certain extent our antitrust policies have developed in a way that makes inconsistent demands upon the pric- price competition. It should be ing policies of business.

For example, if large firms, that are so-called "price leaders", were to indulge in really flexible price competition, the effect on smaller firms could soon give them worse antitrust trouble than they have now. Similarly, although accusing fingers often point to the rigidity of prices in heavily concentrated industries, we continue at the same time to support a Robinson-Patman Act which rewards inflexibility and penalizes fluid price-making. Government leaders sometimes ask business to exercise forbearance in price increases and ask them to "hold the line", thereby calling for a kind of cooperation which would usually involve the very kind of price fixing activity which the Attorney General would be duty-bound to prosecute. Probably the greatest inconsistency of all is the federal "Fair-Trade" exemption which gives federal blessing to coercive price fixing on the part of a minority of businessmen.

Disturbing Potential Dangers

Fortunately, these inconsistencretely on individual businesses inconsistencies in antitrust have a But these incongruities are neverare of great potential danger both to antitrust policy and to business freedom, if the present practical in check should cease to operate. It is in this large and not wholly harmonious context that I believe the questions of current "new diis holding up the industry price Which way or ways are we going, and where is the greatest empha-And of course, regardless of sis likely to be placed in the next

The first few months of the new National administration have not, in my opinion, revealed that any great choices in direction as to pricing policy have yet been made, or at least publicly acknowledged. General statements made by the new Chairman of the Federal Trade Commission, Mr. Dixon, and the new head of the Antitrust Division, Judge Loevinger, indicate that they believe that existing antitrust policies are consistent and should be vigorously enforced, including both those calling for hard price competition and those which interfere with noted that the President and the Attorney General also have called for a continuing crack-down on price-fixing collaboration and at the same time have called upon business to help stabilize prices. The one new note was sounded by Chairman Dixon, who indicated that he will try to find a way to use the powers of the Federal Trade Commission to bring down prices in some industries where he believes "administered prices" are being maintained at unduly high levels.

Except for that idea, these statements do not presage radical changes in enforcement policy, and none can be predicted. Nevertheless, I believe that the next few years may well actually see some substantial reorientation. This will come through a greatly increased emphasis upon attacking collusive price fixing and related restraints, and a resulting better general understanding of ent approaches to the pricing problem.

Price Fixing

cies do not seem to operate con- prices wit out reference to the recent electrical equipment conoften enough to discredit the anti- victions and sentences. These cases of the antitrust laws both to the way of coming out in the wash. Government and to the public in a way which is almost unparaltheless disturbing, because they leled, except in the very early fore. years of our antitrust policy at the turn of the century. The effects should make the electrical reconciliations which hold them cases one of the most important events in the history of the Sherman Act.

> Price fixing has been the No. 1 the early days of the Act. In recent years, from one-half to twothirds of all Sherman Act proceedings, both civil and criminal, have involved charges of price been filed by the Department of ing, Federal Judges are likely to Justice since World War II. A begin to impose serious penalties price fixing cases. T. e price fix- sible. ing problem is thus extremely

rare or in any event relatively will be tightened. unix portant as compared with the more sophisticated and debatable questions.

more clearly objectionable reward being weakened by theoretical arguments, and by the stresses of cold war, space technology, and increased emphasis upon Government responsibility for the economy, events instead have sotrust laws on their strongest and most orthodox ground.

orated national antitrust policy or constitutes "oligopoly." The forces us to face some very ele-

it may still invite antitrust atten- Views of the New Administration mentary realities. We know that we cannot have a competitive system of free enterprise worthy of the name and at the same time tolerate widespread price fixing and market sharing. We have to acknowledge that there is nothing so unique about the electrical equipment industry as to warrant belief that the problem ends there. We know that such practices can and do occur among big and small businesses alike, in products and services of great importance to the nation and under the very noses of experienced purchasing agents. We have always known this, but we have selucm appreciated it so fully as a nation.

> The Federal Government has no alternative but to follow through with further investigations in all industries where there is evidence of similar violations. Moreover, there is a current revival of interest in State antitrust laws in a number of important States. Recently I had occasion to study the types of complaints being dealt with by State authorities in New York, Texas, and certain other active States, and I found that about 80% of the problems which have been arising on the local level involve price fixing and market sharing arrangements.

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The possible consequences of this emphasis are several.

Criminal Prosecutions

For one thing, businessmen who continue to maintain illegal, clandestine relations with competitors in the face of these plain s.gns of danger are, more certainly than the inconsistencies in other pres- at any time in many years past, inviting business ruin and personal disaster. For many, the incentives to fix prices are powerful. The There can be no discussion of urge comes from factors which are much more pressing than an evil desire to mulct the public. But yielding to the urge will now trust laws as a whole. The muddy have dramatized the importance carry great personal risks. It is to be hoped that many will pay more attention to the advice of their lawyers than they have hereto-

The long-standing reluctance of Federal Judges to use jail sentences in flagrant cases has probably been reduced by the precedents of the electrical cases and the jail sentences in 1959 in the handtool case in the Federal Court in restraint of trace problem since Columbus. Use of criminal punishment in borderline types of antitrust cases is unconscionable, and it is unwarranted in cases where guilt is doubtful. But where there has been knowing violation of a fixing. I would estimate that a: clear antitrust prohibition, such least 500 price fixing cases have as price fixing and market sharvery high percentage of all anti- in the future. Sentences up to one trust criminal prosecutions are year for each violation are pos-

Proof of Conspiracy

This new emphasis does not But there has nevertheless been mean, however, that Federal a tendency on the part of some to Judges will relax the standards regard price fixing as a bit old- of proof of conspiracy in contested fas ioned and as e ther relatively cases. If anything, these standards

There has been a great deal of great structural and power ques- discussion in the past 15 years of tions concerning our economy. At- doctrines of so-called "implied tention of both scholars and law- conspiracy," and "conscious paralmakers has tended to center upon lelism" which would make it easier to prove a violation of the Sherman Act. These doctrines The recent electrical equipment grew out of great natural prescases will inevitably shift atten- sures to make the requirements tion back to the more simple, but of the law conform more nearly to newer economic conceptions. straints. Thus at a time when They were advanced for situations antitrust might have tended to- where members of an industry were so relatively few in number that they set their prices, or their market shares or individual production levels, or made other important market decisions with a high degree of conscious, though lidified the position of the anti- independent, uniformity of action. Our newer economics had taught us that in such situations competi-Nineteen sixty-one is therefore tion has major imperfections, or a year when a newly reinvig- contains "monopolistic" elements,

Continued on page 26

This announcement is not an offer of these securities for sale. The offer is made only by the Prospectus.

NEW ISSUE

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OHIO FRANKLIN

COMMON STOCK

OFFERING PRICE: \$20.00 PER SHARE

Ohio Franklin Fund Inc. is a diversified investment company. Without incurring federal capital gains tax at the time of exchange for Fund shares, investors have the opportunity for diversification and professional investment management. The objective of Ohio Franklin Fund Inc. is possible long-term growth of capital and income through selective participation in the progress of American business and industry.

Individual investors may exchange

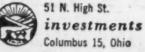


FUND INC.

blocks of acceptable securities, with a minimum market value of \$10,000, for Fund shares. The exchange is based on one share of Ohio Franklin Fund Inc. for each \$20.00 of market value of securities deposited, less compensation to the Dealer Manager, as described in the Prospectus.

Investment dealers and individuals may obtain a copy of the Prospectus, in states where authorized for distribution, from The Ohio Company, Dealer Manager of the Fund.

THE OHIO COMPANY Member of the Midwest Stock Exchange



Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

ating with what appears to be a rush yet developing to put Ameri- professional side. minimum of interest and this is can and other nations' funds into not unusual since at this time of these securities. It is evident that the year the doldrums is not to be the English have a way to go yet Kleber Labs. unexpected as far as the money before the monies of other counand capital markets are contries will be seeking investment Common Sold cerned. Vacations appear to take there. There is no question but a yearly toll of the volume and what a firm short-term rate in Public offering of 150,000 common activity in the capital markets, the United States will continue to However, the short-term Govern- keep the "hot money" here be- Inc., at \$2 per share is being made ment obligations continue to be cause there is no doubt about the by D. E. Liederman & Co., New the bellwethers of what goes on safety of the funds which are kept York City. Proceeds will be used in the money markets since the here since the dollar is still one by the company for repayment of commitments in these issues are of the world's strongest curren- debt, purchase of equipment, a still very large in spite of the cies. moderately rising yields for these securities. The return on the most liquid Treasury securities, how- Government issues is as large as ever, is not historically high even ever among corporations but the at current levels.

The uncertainty over how the enlarged defense program will be bid for leadership in this area carried out and how the money of the market. It is indicated that will be raised along with the cost these institutions have plenty of of this program is having a reand capital markets.

Short-Term Issues Firm

as high as they have ever been The impending new money rais- of Cruttenden, Podesta & Co., 322 and long-term British Govern- ing on the Government according North Broadway. He was formerly

The Government market is oper- near all time lows, there is no

Plenty of Funds

The demand for the most liquid banks from the large money centers are now making a decided funds available not only for loans very liquid Government obligations. There is also evidence that some of the medium sized deposit The demand for short-term is- banks have not only been buyers sues is still very large even of Treasury bills but they have though the yield on these obliga- also been putting funds into setions continues to go up modestly. lected intermediate term obliga-This has not been an unfavorable tions. Savings banks have likedevelopment as far as our position wise been in the market for some in the international monetary of the middle-term issues, even situation is concerned since it has though these institutions as a helped to keep funds here which group have been sellers of the might have been transferred to longer term Governments in England with its very high near- modest amounts. As against this term and long-term rates. The the savings institutions have been firm tone for short-term issues in fairly sizable buyers in some this country along with the cost cases of corporate bonds with the of hedging against the future posi- higher yielding ones getting most tion of the Pound Sterling is re- of this attention. Because the sulting in a slight differential in yield on corporate bonds is still favor of the yield which is avail- more attractive than those of Govable in our near-term very liquid ernment bonds the institutional obligations, as compared with demand continues to be in non-what is available in the British money market. By keeping the return on our short-term securities high enough so that the readily transferable funds find it was the restance of t ly transferable funds find it prof- there is quite likely to be a deitable to remain here pressure is veloping interest in new corporate thus taken off our international issues and tax-free bonds, almonetary position. Even though though the corporate flotations ST. LOUIS, Mo .- Michael C. Basmoney rates in England are about might still be on the small side. tunas has been added to the staff

ment obligations are selling at or to most money market specialists with Fusz-Schmelzle & Co.

is quite likely to be confined to tax anticipation bills. This would seem to eliminate the prospects of an intermediate-term issue being part of the operation. Also there is at this time no feeling around about a forward refunding offer or the raising of new money through the sale of long-term Government bonds. It is evident that the market for long Treasury bonds is still very much on the

shares of Kleber Laboratories, plant lease, research and development and working capital.

The company with headquarters in Beverly Hills, Calif., intends to begin the manufacture of instruments for the detection of beryllium to be used in prospecting, refining and control of manufacturing processes employing berylcompounds. The metal, which has extreme resistance to tarding influence on the money but also for investment in the heat and cold, is used in missiles, space capsules and aircraft.

Paine, Webber Office

SAN BERNARDINO, Cal.—Paine, Webber, Jackson & Curtis have opened a branch office in the California Hotel Building under the direction of Louis R. Aragon.

Joins Schirmer, Atherton

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.-Robert H. Tillson has joined the staff of Schirmer, Atherton & Co., 50 Congress Street, members of the New York and Boston Stock Exchanges. Mr. Tillson was formerly with H. C. Wainwright & Co.

Carl Derman Opens

With Cruttenden, Podesta

(Special to THE FINANCIAL CHRONICLE)

NEW ISSUE August 24, 1961



Distaff Members at ABA School

EVANSTON, Ill.-The National Trust School of the American Bankers Association has gone coeducational. Shown between classes of the school's second annual session at Northwestern University, Aug. 7 to 25, are the 11 women students among an enroll-

Left to right, first row: Margaret B. Williams, The Philadelphia National Bank, Philadelphia, Pa.; Marie H. Harrold, First National Bank in Greensburg, Pa.; Doris R. Kunkle, The Third National Bank of Ashland, Ky.; Ann E. Lauris, Worcester County National Bank, Worcester, Massachusetts.

Second row: Arlene M. Blewett, Bank of America, Beverly Hills, Calif.; Nora B. Birdsall, First Western Bank & Trust Company, Pasadena, Calif.; Jo Anne Valentine, Lincoln National & Trust Company of Fort Wayne, Ind.

Third row: Eva W. Barrow, The First National Bank of Birmingham, Ala.; Marjorie L. Taylor, The Midland National Bank of Billings, Mont.; Pauline H. Sterni, North Adams Trust Company, North Adams, Mass.; Shirley K. Marshall, The Atlantic National Bank of Jacksonville, Fla.

This advertisement is not and is under no circumstances to be construed as an offering of these securities for sale or a solicitation of an offer to buy any of such securities. The offering is made only by the Prospectus.

488,332 Shares

Florida Capital Corporation

Common Stock

The Company is offering to the holders of its Common Stock, of record as of the close of business on August 22, 1961, Rights, evidenced by transferable Warrants, to subscribe for additional Common Stock, subject to the terms and conditions set forth in the Prospectus. The Warrants expire at 3:30 P.M., E.D.S.T., on September 5, 1961. The several Underwriters may offer shares of Common Stock, pursuant to the terms and conditions set forth in the Prospectus.

Subscription Price \$7.75 per share

Copies of the Prospectus may be obtained from the undersigned only in those States in which the under-signed may legally offer these securities in compliance with the securities laws of the respective States

Walston & Co., Inc. Francis I. duPont & Co.

Prescott, Shepard & Co., Inc. R. W. Pressprich & Co. The Robinson-Humphrey Company, Inc. Straus, Blosser & McDowell Winslow, Cohû & Stetson of New York, Inc. Arthurs, Lestrange & Co.

First California Company Granger and Company Pierce, Carrison, Wulbern, Inc.

Emanuel, Deetjen & Co. Hooker & Fay Inc.

Stein Bros. & Boyce Westheimer and Company J. R. Williston & Beane Clark, Landstreet & Kirkpatrick, Inc. Courts & Co.

Stifel, Nicolaus & Company Blunt Ellis & Simmons

Rauscher, Pierce & Co., Inc. Lentz, Newton & Co. Bateman, Eichler & Co. Brooke, Sheridan, Bogan & Co., Inc. John W. Clarke & Co. The First Cleveland Corporation

Wyatt, Neal & Waggoner C. F. Cassell & Co., Inc. Hill, Darlington & Grimm

Cruttenden, Podesta & Co.

Hallowell, Sulzberger, Jenks, Kirkland & Co. Howard, Weil, Labouisse, Friedrichs Mason & Lee, Inc. Varnedoe, Chisholm & Co. J. C. Wheat & Co. Zuckerman, Smith & Co. Barret, Fitch, North & Co. Beil & Hough, Inc. Oscar E. Dooly & Co. Charles H. Eldredge & Co. McNeel-Rankin, Inc. French & Crawford, Inc. S. D. Lunt & Co. Raffensperger, Hughes & Co. Mullaney, Wells & Company Nugent & Igoe

Sutro Bros. & Co.

Irving J. Rice & Company Willis, Kenny & Ayres

Taylor, Rogers & Tracy, Inc. Yarnall, Biddle & Co.

200,000 Shares

The Clarkson Laboratories, Inc.

Common Stock (Par Value \$.01 per Share)

Price \$2.00 per Share

ROSS, LYON & CO., INC.

This announcement is under no circumstances to be considered as an offer to sell or a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus which is available only in such states where these securi-

ties may be lawfully sold.

GLOBUS, INC.

Alix of Miami Common Offered

Public offering of 100,000 class A common shares of Alix of Miami, Inc., is being made at \$9 per share through a syndicate managed by Clayton Securities Corp., Boston. Of the shares being offered, 30,-000 are being sold for the account of stockholders and 70,000 shares for the company. The net proceeds to be received by the company will be used to improve its working capital position, and may be applied to any corporate purpose including financing of accounts receivable, off - season inventory purchases, and increased sales Block under the management of promotion and advertising.

The company with headquarters in Miami, Fla., is primarily engaged in the styling, manufacture, and sale of women's and misses' dresses, misses' sportswear, and glamor swimsuits and beach ensembles, all of which are sold under its brand name, "Alix of Miami." The company's products are styled by its own staff and are retailed in over 3,000 stores throughout the United States.

For the year ended Jan. 31, 1961 Alix of Miami and its wholly owned subsidiary, Brookfield Mills, Inc.. reported combined sales of \$2 425,385 and net income equal to 44c per share, based upon the number of shares outstanding prior to the current offering. Upon completion of this financing, capitalization will consist of 100,000 shares of class A common (par 25c), and 125,000 shares of class B common stock (par 25c).

Sjostrom Automations, Inc. Common Offered

J. I. Magaril Co., Inc., New York City, is offering publicly 700,000 class A common shares of Sjostrom Automations, Inc., at \$4 per share. Proceeds from the sale will be used by the company for the repayment of debt, the purchase of equipment and inventory and for working capital.

The company of 140 N. W., 16th St., Boca Raton, Fla., is engaged in the development, manufacture and sale of electronically controlled automatic equipment for the textile and laundry industries.

It also produces "Knotwood" Livingston, Williams Brch. metal textile feed aprons and markets "Slip-Prufe" rubber roll covering.

V.-Ps. of Techno Fund

COLUMBUS, Ohio - Dr. L. Kermit Herndon, Executive Vice-President of Techno Fund, Inc., announced that Dr. Richard E. Warner and Frank G. Hull have been elected Vice-Presidents of the firm.

Lewis Secs. Branch

SPRINGFIELD, Vt.—Lewis Securities Company has opened a branch office at 331/2 Woolson William C. Waite.

DIVIDEND NOTICES

CITY INVESTING COMPANY

980 Madison Ave., New York 21, N. Y. The Board of Directors of this company on August 16, 1961, declared the regular quarterly dividend of \$1.375 per share on the outstanding 5½% Series Cumulative Preferred Stock of the company payable October 1, 1961, to stockholders of record at the close of business on September 18, 1961. HAZEL T. BOWERS, Secretary



eting held today, declared a quarat a meeting held today, declared a quarterly dividend of 35 cents per shale on the Common Stock of the Company, payable on September 14, 1961, to shareholders of record at the close of business on September 1, 1961. Checks will be

JOHN CORCORAN, Vice-President & Secretary August 21, 1961.

BRIGGS & STRATTON CORPORATION



DIVIDEND

The Board of Directors has declarded a regular quarterly dividend of fifty cents (50c) per share and an extra dividend of twenty cents (20c) per share on the capital stock (\$3 par value) of the Corporation, payable September 15, 1961, to stockholders of record August 25, 1961.

L. G. REGNER, Secretary-Treasurer

Milwaukee, Wis August 15, 1961

TOLEDO, Ohio-Livingston, Williams & Co., Inc., has opened a branch office at 227 Michigan St. under the management of Robert I. Basch.

DIVIDEND NOTICES

E. I. DU PONT DE NEMOURS & COMPANY



Wilmington, Del., August 21, 1961 The Board of Directors has declared this day regular quarterly dividends of \$1.12½ a share on the Preferred Stock—\$4.50 Series and 87½¢ a share on the Preferred Stock—\$5.50 Series, both payable October 25, 1961, to stockholders of record at the close of business on October 10, 1961; also \$1.50 a share on the Common Stock as the third quarterly interim dividend for 1961, payable September 14, 1961, to stockholders of record at the close of business on August 28, 1961.

************************************ International Salt COMPANY

P. S. DU PONT, Secretary

DIVIDEND NO. 189

A dividend of ONE DOLLAR a share has been declared on the capital stock of this Company, payable September 30, 1961, to stockholders of record at the close of business on September 15, 1961. The stock transfer books of the Company will not be closed.

W. L. BENGER Treasurer.



GOULD-NATIONAL

BATTERIES, INC. Manufacturers of a complete line of automotive, industrial and military storage batteries plus motive specialties.

REGULAR QUARTERLY DIVIDEND

of 30c per share on Common Stock, was declared by the Board of Directors on July 11, 1961 payable Sept. 15, 1961 to stockholders of record on Sept. 1, 1961. This is our 119th Common

Dividend. A. H. DAGGETT

Chairman ST. PAUL I, MINNESOTA

DIVIDEND NOTICES

Allegheny Ludium Steel Corporation

Pittsburgh, Penna. At a meeting of the Board of Directors



of Allegheny Ludium Steel Corporation held today, August 18, 1961, a dividend of fifty cents (50c) per share was declared on the Common Stock of the Corporation, payable Sep-tember 30, 1961, to share-owners of record at the ss on September 8, 1961.

S. A. McCASKEY, JR.

INTERNATIONAL HARVESTER COMPANY

The Directors of International Harvester Company have declared quarterly dividend No. 186 of sixty cents (60¢) per share on the common stock, payable October 16, 1961, to stockholders of record at the close of business on September 15, 1961.

GERARD J. EGER, Secretary

KENNECOTT COPPER CORPORATION

161 East 42nd Street, New York, N.Y.

August 18, 1961

At the meeting of the Board of Directors of Kennecott Copper Corporation held today, a cash distribution of \$1.25 per share was declared, payable on September 22, 1961, to stockholders of record at the close of business on August 29,

PAUL B. JESSUP, Secretary

NATIONAL STEEL Corporation

127th Consecutive Dividend

The Board of Directors at a meeting on August 15, 1961, declared a quarterly dividend of seventy-five cents per share on the capital stock, which will be payable September 12, 1961, to stockholders of record August 24, 1961

PAUL E. SHROADS Senior Vice President

Put yourself in the picture in a sightseeing Florida vacation ...

DIVIDEND HOTICE

FLORIDA POWER & LIGHT COMPANY

P.O. BOX 1-3100 . MIAMI, FLORIDA

A quarterly dividend of 28c per share has been declared on the Common Stock of the Company, payable September 19th, 1961 to stockhold ers of record at the close of business on Aug. 25th, 1961.

ROBERT H. FITE President



DIVIDEND NOTICES



DIVIDEND NOTICE

The Board of Directors today declared a dividend of 52 cents per share on the Common Stock of the Company, payable October 2, 1961 to stockholders of record at the close of business September 1, 1961.

D. W. JACK Secretary

August 18, 1961



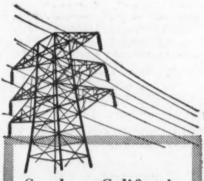
SHREVEPORT. LOUISIANA

Dividend Notice

The Board of Directors has this date declared a dividend of thirty-seven and one-half cents (371/2¢) per share on the Common Stock of the Corporation, payable October 2, 1961, to stockholders of record at the close of business on September 8, 1961.

B. M. BYRD Secretary

August 22, 1961



Southern California Edison Company

DIVIDENDS

The Board of Directors has authorized the payment of the following quarterly divi-

ORIGINAL PREFERRED STOCK Dividend No. 209 65 cents per share;

CUMULATIVE PREFERRED STOCK, 4.32% SERIES Dividend No. 58 27 cents per share.

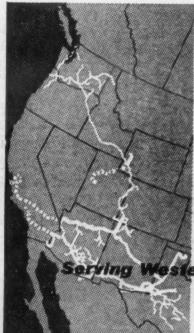
The above dividends are payable September 30, 1961, to stockholders of record September 5. Checks will be mailed from the Company's office in Los Angeles, September 29.

P. C. HALE, Treasurer

August 17, 1961



EL PASO NATURAL GAS COMPANY



DECLARES

CONSECUTIVE QUARTERLY

The Board of Directors, at a meeting held August 15, 1961, declared a regular quarterly dividend of 321/2 cents per share on the Company's Common Stock. This dividend is payable September 30, 1961, to stockholders of record at the close of business August 25, 1961. Dividend checks will be mailed.

erving Western America with Energy from Natural Gas

Assets . . . \$1,504,902,446 1960 Gross Revenues. 504,634,163 Net Income . . 50,909,378



EXPLORATION | PRODUCTION | TRANSMISSION | SALES of Natural Gas

Oil exploration, production, refining, marketing and petrochemicals.

THE MARKET . . . AND YOU

BY WALLACE STREETE

the fabled year of 1929.

Flaws in the Averages

the components of this average turning point as well. in 1929 are no longer in it. In addition, the method of comput- by some of the drug makers did ing the average has various over little to perk up interest in drug NAIC to Change the years as the various com- shares. ponents split their shares.

finally exceeded in 1954, the mostly one of long-standing negdivisor in use then was 5.89, which was where the attrition were last split in 1959, which sold which was where the attrition were last split in 1959, which sold new name of the National Asso- Association provides that "assothrough splits and stock dividends for more than 43 that year, were ciation of Investment Companies ciated organizations," upon aphad lowered it from the original had lowered it from the original still working against resistance to 30 for the 30 issues involved. Today it is down to 3.09. In 1929 it was 10.77.

As these trims in the divisor take place, the average becomes in sight for this whittling-down process since several of the components of the average are can-

ponents to shore it up was best bread-and-butter line for the combrink, and then crossed the 725 line. It was almost solely due to were built up to where they pro- of 1940. Its membership, at present a four-point jump in American vided a shade more than half of is composed of 160 open-end and Tobacco that it forged to the line, last year's sales but some three- 25 closed-end investment comand again American Tobacco's fourths of the company's profit. panies. two-point jump was a major fac- For foreign operations have held tor in carrying it across it. The consistently at a profit margin of feat of a record high was hardly 5% or so while the margin on domirrored by the actual market mestic operations was slipping on the latter occasion since there from a shade over 3% to less than were only three more advances 2% than declines scored by the general list.

Yardsticks Deceptive

It all added up to a market that wasn't performing anything like some of the yardsticks used to around that were nowhere near gard domestic business. As part of any historic peaks. Oils, for one, despite bright earnings comparisons had no sustained following such as that they enjoyed in the immediate post-War II era.

Where the average yield of the industrial thermometer was known companies as Ohio Standard Oil, Pure Oil, Cities Service and Royal Dutch. By comparison, some of the issues that have been popular recently show yields of less than 1% including Brunswick, Minnesota Mining and American Photocopy, not to mention such high-flying issues as International Business Machines and Xerox.

American Radiator & Standard Sanitary, despite high prospects absent from the spotlight for long, and its yield runs to 51/2%. Like many other American companies, American Standard has turned in large scale to foreign fields where the growth pace is more rapid to bolster its fortunes. dollars flow in from foreign op-

afoul of antitrust troubles, Amer-Youngstown Kitchens as required pand sales of outboard motors ma-

Selected industrial stocks con- in the consent decree is actually tinued to do better work in mar- beneficial since the division hasn't larity in any way. The shares kets that were largely irregular been profitable for years and that had a sharp runup earlier this this week and in the process kept amounts for only a minute portion year to 185, followed by an equally nudging their average to its high- of total sales. Far from backing est standing in history, crossing up the picture of a market at a the 725 level for the first time. record high, American Standard If, as so many market students is only a few points above its believe, the average continues to poorest price for the last decade work higher during ensuing and only a little better than half its Phonevision system of submonths it could reach the 762 of its 1955 peak. Admittedly, it scription TV and its color TV level, which would represent a will be some time since the upreading exactly double that of turn in housing starts that is generally expected is fully translated into profits for companies such vorable gain over last year. Mean-as American Standard, but the while a three-for-one stock split Comparisons of the industrial company did show an earnings is pending for early November. average of today and that of 1929 gain in the year-to-year compariare not exact. Over the years sons for the June quarter. It was there have been issues eliminated the first such gain shown in a year for various reasons and new ones and a half. So the company could substituted so that nearly half of have reached the low point and a They are presented as those of the

Charges of anti-trust violations The case for Colgate-Palmolive, which is a relative Name Oct. 1 When the 1929 high of 381 was newcomer to the drug field, is

A Diversified Drug Item

Colgate's entrance into the The ability of one of the com- and toiletries to provide the balloting on the revision.

With its entrance into the proprietary and ethical drug fields, its heavy emphasis on new product development and energetic efforts to cut costs and step up domestic sales, Colgate is hopeful of sparking an upturn in its lagthis drive, the executive who headed up the foreign operations where the recent growth has been dynamic has been upped to direct the destinies of the entire com-The company that is expected to show sales of \$600 million this year has set as a goal the slightly under 3%, Standard Oil billion dollar mark by 1966 which (New Jersey) was available at a is an even faster growth pace than return of around 5% and 4% or it showed over the last decade more was available in such well- when it started with \$346 million sales in 1951.

Brunswick's Sky-Rocketry Abandoned

Brunswick Corp. shares lately have lost the skyrocket aspect they once had but, apparently, not their popularity with a good many market analysts. For one, they have had a sizable correction which sheared a score of points from this year's peak. For another, the company that owed its popufor the building industry, has been larity to the explosive growth of bowling alleys and installations of bowling pinsetters awhile back is off on a new tangent in the last year or so. It started with acquisition of Owens Yacht Co., second largest maker of pleasure craft, and recently added to that with More than a fourth of its sales the acquisition of Kiekhaefer Corp., which makes the Mercury line of outboard motors, to com-Unlike some companies that ran plete its representation in the boat field. In addition, use of the marican Standard's divestment of its keting outlets of Owens could ex-

terially. The management's goal for this year is to continue record sales and earnings once more to make it eight years of new highs

Zenith is also an issue that is not statistically cheap, but that doesn't seem to cut into its popusharp correction, had snapped back this week to go on to new highs with some persistence. Some of the plus items behind Zenith are conjectural, including work, but its earnings did show an uptrend in the second quarter this year that could lead to a fawhile a three-for-one stock split

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." author only.]

The Investment Company Instilect, however. The shares that tute will officially become the were last split in 1959, which sold tors Trust.

The Institute is a continuation more volatile and there is no end prime drug field was made only of the National Association of Intwo years ago and it is still con- vestment Companies, and the new centrating on product research to name reflects a broadened scope build up its portion of its business, of activities. Members of the Asdidates for eventual stock splits. leaving the old-time lines of soaps sociation have recently completed fectively in the interests of the

The NAIC was established 20 illustrated as it hovered on the pany. It, too, has been busily de- years ago shortly after enactment veloping foreign markets which of the Investment Company Act

> Membership now will include not only issuers of investment comthe closed-end companies are ex- ent 14 Governors of the Associa- merly with B. C. Christopher & pected to organize separately to tion whose terms are not expiring. Co. in Kansas City, Mo.

establish an association affiliated with the Institute.

Sidney Jacobs & Co. on Sept. 7.

STANY BOWLING SEASON

City Hall Bowling Centers, 23 Park Row.

and Roswell J. Yunker, A. M. Kidder & Co., Inc.

The Security Traders Association of New York has announced

that the Bowling season will start Sept. 14 (5:30 to 8 p m.) at the

ing should contact Sidney Jacobs, Sidney Jacobs & Co., Chair-

man, or one of the following captains: John Barker, Lee Higgin-

son Corporation; Stanley E. Dawson-Smith, Cruttenden, Podesta

& Co.; Joseph F. Donadio, Wm. V. Frankel & Co., Inc.; E. Michael

Growney, Gregory & Sons; Wellington Hunter, Wellington Hunter

Associates (Jersey City); Wilbur Krisam, John C. Legg & Com-

pany; John Manson, Hardy & Co.; Herman D. Meyer, Schweickart

& Co.; Theodore M. Schneider, Burnham and Company; Stanley R.

Shaw, Josephthal & Co.; Robert M. Topol, Greene and Company,

There will be a meeting of all the captains at the office of

All members and associate members interested in participat-

The revised Memorandum of on Oct. 1, 1961, it has been an- proval of a majority of members reach 50 for the first time this nounced by George K. Whitney, of the Institute, may become asso-President of the Association and ciated with the Institute with re- appointed by the Board. a Trustee of Massachusetts Inves- spect to matters of common inter-Institute may be made available New York City. to such organizations.

> ship, Mr. Whitney said, will enable the Institute to act more efseveral million American investors who are shareholders of investment companies, and will also result in a strengthening of the traditional cooperation of the investment companies with State and Federal regulatory authorities, also with the objective of the best interests of investors.

The management and the adpany shares but also affiliated ministration of the affairs of the investment advisers and under- Institute are vested in a Board of writers, each to be a separate Di- Governors composed of 21 memvision of the Institute. Approxibers, 11 of whom must be officers mately 125 investment advisers or trustees of members of the Inand underwriters are eligible to vestment Company Division of become Institute members, in ad- the Institute. Seven members are dition to the investment com- elected annually for three year panies now included in the mem- terms. A ballot will go out shortly bership. Both open - end and to members for election of seven closed-end investment companies new members for the coming fisare eligible for membership, but cal year to supplement the pres-

Activities of each Division of the Institute will be directed by a Committee subject to the supervision and control of the Board of Governors. The Chairman of these Committees will be members of the Board and are to be

The headquarters of the Instiest, and the facilities of the tute will continue at 61 Broadway,

The broadening of the member- To Form R. J. Murphy Co.

Richard J. Murphy & Co. will be formed with offices at 60 Wall Street, New York City. Partners will be Richard J. Murphy and Francis J. Eulner, who will acquire a membership in the New York Stock Exchange.

With Ranson & Co.

(Special to THE FINANCIAL CHRONICLE) DENVER, Colo.—Alan A. Ashby has become associated with Ranson & Co., Inc., 1845 Sherman St. Mr. Ashby was formerly with Crutenden, Podesta & Co. and Bo-

Now With Boettcher

ettcher and Company.

(Special to THE FINANCIAL CHRONICLE) PUEBLO, Colo.—Ray A. Ricketts, Jr., has become associated with Boettcher and Company, Thatcher Building. Mr. Ricketts was for-

This announcement is not an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Circular; a copy of which Offering Circular has been filed with the Department of Law of the State of New York. Such filing does not constitute approval of the issue or the sale thereof by the Department of Law or the Attorney General of the State of New York.

NEW ISSUE

Aug. 24, 1961

100,000 Shares

American & St. Lawrence Seaway Land Co., Inc.

COMMON STOCK

(Par Value 25¢ Per Share)

Offering Price: \$3.00 per Share

Copies of the Offering Circular may be obtained from the undersigned and from such other dealers as may lawfully offer these securities in this State.

Professional and Executive Planning Corp.

124 East Park Avenue

Long Beach, New York

SECURITY SALESMAN'S CORNER BY JOHN DUTTON

Some Observations Pertaining to the Servicing Of Speculative Accounts

(Fifth in a series of articles)

count any security salesman can order clerks and the cashiering acquire is an informed, profes- department. Be a step ahead of sional investor, or speculator. him-if an error occurs try and speculative account that is man-calls you. Suggest that you will aged by a professional who knows make the correction. his business there are certain rules that you must follow. If you will remember them you will hold the account, providing you are able to render the type of service that is required by a professional speculator.

Rule 1: Don't offer advice or suggestions. Be an order taker. If there is anything that a pro-fessional speculator resents it is to be subjected to motivation that may confuse him. Unless your customer asks to send him reports, advices, or suggestions do not place them before him. Be very careful not to pass along rumors, tips, or gossip, even if you believe it to be helpful, unless you have cleared this phase of your rela-tionship with him.

Always Be Modest

Rule 2: Don't parade your contacts, your market savvy, your experience before him. It is always good salesmanship to be modest in speaking of your own experience in the business. Let your alertness and your accuracy and promptness in reporting trades speak for itself. If there is trades speak for itself. If there is Rule 5: Be absolutely certain relations for Hugh W. Long & Co. a market change that is important that no one BUT YOU knows and with Distributors Group, Inc. in a security where you are holding some Good Till Cancelled orders, report it without com-ment. Keep your opinions to yourself. Report markets and executions promptly.

Rule 3: Follow instructions to securities and they are to be delivered by another broker free, be sure your cashier has written instructions. If you receive copies of your client's monthly statements, check carefully for any errors, so that your customer will have no difficulty in obtaining your help if a correction becomes necessary. What your professional

How to Say "Thank You" Rule 4: If your customer is supplying you with a sizable volume of business and you are in a position to pass along "new is- To Admit Two sues" that are very much in demand, save your good ones for him. This is a legal way to say, him. This is a legal way to say, "Thank you," to a good customer, and he deserves to be remembered when the "ice cream and cake" is served. It is the ledger activity ship. that counts in this business, as in any other, and the client who you the preference in handling his trading account partner in the firm, making his should not be forgotten. Incidentally, a professional speculator office, 65 Broadway. doesn't ask you for the "hot ones" and toss the "slow ones" back at you. This man is a "pro," and if he gets a dozen or two "new of the gets a dozen or two "new or tw issues" during the year and some Oppenheimer Co. of them lay an egg he won't complain. It is only the fellow who Frank N. McInerney has joined will cancel out a slow issue that doesn't go to a premium right Broad Street, New York City, as away. A real professional takes regional representative of its them all - the bitter with the sweet

about his business. Don't discuss as director of sales promotion. with your fellow associates in the office any account you may be handling. But be especially care-ful not to mention what an active, To Be V.-P. of professional, trader, may be doing at anytime. If you see some par- Clark, Dodge Co. the letter. Any unusual requests ticular reason to do so, make it cashier, and your order departmemory. If you are selling certain ment to handle all memos, orders, trades cannot be seen and become of the New York Stock Exchange. the subect of office gossip. Never mention what your customer is buying or selling, or how well, or how poorly, he may be doing. Kenneth R. Williams and Gordon

The rest is up to your order clerks, your representation on the Exchange, your over-the-counter trading department, and your cashier. If they do their job well, and you follow the procedure outlined here you should have a successful account that should remain loyal and productive. They are not easy to find. You don't come accross them on every street corner, but when you get one that is a real "pro" you can be very grateful. There is no The most productive type of ac- focal point of contact with your cleaner, satisfactory, or profitable type of client and every broker knows it. That's why it pays to spend more time and effort in When you fortunately obtain a call it to his attention before he acquiring a few such customers, and when you get them, KEEP

members of the New York Stock Exchange, on Sept 1, will admit William H. Richardson to partner-

On Aug. 25, Robert N. Westerlund, member of the New York Stock Exchange, will become a headquarters at the New York

wants something for nothing who the New York Stock Exchange firm of Oppenheimer & Co., 25 regional representative of its Oppenheimer Fund Inc. He previously served as director of press

should be written in your memo very clear to your secretary, your On Sept. 1 William Ewing, Jr., pad and not committed to cashier, and your order depart- will become a Vice-President of Clark, Dodge & Co. Inc., 61 Wall and other data so that important Street, New York City, members

To Form Leib & Williams

Keep your voice low if you are B. Leib, both members of the in a busy office, and when you New York Stock Exchange, will talk on the telephone and report form the Exchange member firm any transactions, be businesslike, of Leib & Williams, 11 Wall trader and speculator wants above brief, and as quiet about it as Street, New York City, effective all else is SERVICE. You are his possible. Sept. 1.

All of these shares having been sold, this advertisement appears as a matter of record only.

NEW ISSUE

August 23, 1961

75,000 Shares

AINSLIE CORPORATION

Common Stock (Par Value \$1.00 per Share)

Offering Price: \$4.00 per Share

Copies of the Offering Circular may be obtained from the Undersigned in any State in which the Undersigned may legally offer these shares.

FIRST WEBER SECURITIES CORP.

79 Wall St., New York 5, N. Y.

84 State St., Boston, Mass.

PUBLIC UTILITY SECURITIES BY OWEN ELY

The Search for Better Yields in Utility Stocks

The average electric utility stock now yields about 3.5%; the yield on telephone issues is about the same and gas stocks average some Fast growth utilities give very low returns-about 1.5% to 2.5%, and moderate growth issues about 21/2 to 4%. However, there are still a few utility stocks that can be purchased by "widows and orphans" who are interested mainly in good yield, safety of income, and perhaps a small degree of growth. Such investors can now obtain 43/4% or a little more in good-grade bonds and preferred stocks, but they will probably settle for 41/2% common stock if there is a chance for an occasional dividend increase.

There are two groups of stocks that afford yields of 4.5% or more: (1) utilities that pay both cash and regular stock dividends; and (2) some of the smaller and less well-known utilities with high dividend payouts and low growth rates. It seems strange that the first group is not more popular, but most people who need income want it regularly, and even though they could sell the stock dividend once a year and add to their total income they do not seem to be much attracted by this possibility. (Only one utility, Missouri Public Service, pays its stock dividends on a regular quarterly basis.) Following is a list of these utilities:

	Approx. Price	Cash Dividend	Cash Yield	Stock Dividend	Combined Yield
Commonwealth Edison	90	\$2.00	2.2%	2.4% *	4.6%
Missouri Public Service_	24	.72	3.0	2.0	5.0
Michigan Gas & Electric	92	2.00	2.2	3.3**	5.5
Rochester Gas & Electric	54	1.80	3.3	3.0	6.3
New Jersey Natural Gas	33	1.00	3.0	2.0	5.3

to

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*Amount slightly irregular, depending upon earnings. The Company will sell the stock dividend and remit cash on request.

**3% in earlier years.

Some of these stocks have good growth records—especially Commonwealth Edison, which is currently being split. Commonwealth's object in paying a stock dividend is to keep the cash payout at a low level and retain a substantial amount in the treasury to help finance construction programs. Thus the company hopes to avoid any equity financing in future, or at least to hold it to a minimum amount. The dilution of earnings which would occur with equity financing (perhaps every two or three years) is replaced by a smaller annual dilution and the growth in earnings is made more regular. Those who wish to hold the stock dividends get a built-in growth factor while those that cash them get extra income. The same philosophy is probably true of the other stocks although the managements may not have stated their policy as clearly as Commonwealth did.

The following issues afford a straight yield of 41/2% or more

(based on recent prices):					
	Approx. Price	Dividend	Approx. Yield	Dividend Payout	Aver. 5- Year gain in Earn.
Central Vermont Public Serv.	00	61.00	4 77.01	00.01	*00
	. 23	\$1.08	4.7%	82%	*2%
Eastern Utility Associates_	. 43	2.20	5.1	87	4
Edison Sault Electric	19	.90	4.7	80	,
Green Mountain Power	17	.80	4.7	85	4
Lake Superior Dist. Power	27	1.28	4.7	70	4
Maine Public Service	. 20	.95	4.7	85	4
Otter Tail Power	. 38	1.80	4.7	80	1
Public Service of New					
Hampshire	24	1.08	4.5	76	2
Upper Peninsula Power		1.70	4.7	74	
Western Mass. Companies.	26	1.20	4.6	76	†1

*1.4% if "flow-through" tax savings are eliminated. †Increased by tax savings from accelerated depreciation.

Six of these companies are located in New England, where the regulatory climate is (with the exception of Massachusetts) uncertain or unfavorable. Moreover, due to the exodus of the textile and shoe industries New England has been tagged as a "nongrowth" area although the loss has been offset in some areas by gains in electronics and research industries. However, as indicated in the last column of the table, the gains in share earnings for the companies listed (during the past five years) have been below the industry average of 6%. Moreover, the high yields are due in part to the relatively high payouts which exceed the industry average of 71% in every case but one.

Among the gas utilities some 18 stocks were available recently with yields of 4.5% or better. One of these, Providence Gas, has paid dividends for 122 years— but it has had an uninteresting record of share earnings until recently (results for the 12 months ended May showed a gain of 38% over last year, which may have been due largely to weather conditions). Before the recent gain earnings had remained in a range of 50-65 cents for five years.

In the telephone group only one issue-British Columbia Telephone-yields 4.5%, although Southern New England Telephone (4.4%) and Bell of Canada (4.2%) are runners-up. Among the water service stocks the list shows four companies with good yields - California Water Service, Elizabethtown Water, New Haven Water and Ohio Water Service. All four have rather drab earnings records, however, although New Haven Water showed a big gain in 1960.

High yields are characteristic of transit stocks, most of which yield 5 to 10%. But the risks are much greater due to the vagaries of share earnings and very high payouts in some cases. Greyhound, with a yield of 4.4%, is perhaps one of the more dependable. National City Lines just cut its dividend from \$2 to \$1.20. reflecting the uncertainties in this group.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Scolding Amid the Scalding

devoted to the manage- vestments. ment - distributing companies of the fund field. It is put out by is confronted with a half-dozen the highly competent folks at Laird, Bissell & Meeds.

Corp., which is responsible for certain to flunk the test. managing over 210,000 shareowner accounts in the National Securities series of mutual funds with assets of well over a half billion dollars. Says Laird, Bissell of National Securities:

". . . capital stock was never publicly underwritten. The management of the fund distributes only the briefest sort of earnings statements. It has not used its top-flight sales promotion talent to generate interest in its management stock.

"The combination of these fac- immunity to emotion. tors does not help stimulate public enthusiasm for the equity. Moreover, we have seen very little published literature on National Securities & Research Corp. which might inform investors of the progress of this company, its future potentials or the high yield which the stock affords.

This warm - weather complaint brought a clever orange-andwhite folder from National Securities, which subtly scolds the fellow who is determined to go it vestment committee, which is re-alone in the marketplace. The sponsible for investment commit-

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A compact pleasantly colored to the do-it-yourself investor and monthly publication is "News and tells him how to manage his in-

Opening the folder, the reader questions that are designed to es-The current issue contains thereof) to handle a portfolio of some interesting comments on stocks. Just about everybody out- Investment Co. of America has National Securities & Research side the financial community is

> Thus, the first question is whether the investor has the background knowledge - entailing study at a school of finance and participation in the investment

> Other questions on this test deal with the crucial importance of continuous basic information (reading publication such as The Commercial and Financial Chronicle), the need to make field trips, the essential need to put in full time on the investing job and the

The back page of the National Securities folder has a chart that clared a fiscal year-end special impressively demonstrates the distribution from net realized comprehensive organization of the profits of \$1.14 per share, in adcompany. It shows how original research, factual research and sci- lar distribution from net investentific consultation are fed into its ment income. Keystone Discount research department of analysts, Bond Fund, Series B-4, has deindustry specialists, statisticians clared a regular distribution from and librarians. The refined prod- net investment income of 29 cents uct moves on to fund executives per share. All distributions are arrived in the same mail that (seven series, consisting of stock, payable on Sept. 15 to holders of growth stocks, income, dividend, balanced, preferred and bond). The next way station is the incover page is shrewdly addressed ments, and finally there is the policy committee, which reviews ternational and market trends to establish basic institutional policy.

> enjoyed moderate success in the tional Steel, General Motors. marketplace is bound to be startled by the contrast between his approach to investing and the comprehensive methods of people Carlson Securities Inc. is conducthave been better off turning to an York City. organization with over 30 years of experience in the investment

> Laird, Bissell has high praise indeed for National Securities & Research, stating: "Its seven individual mutual funds fill the need of a wide variety of investment objectives. Management is EAST PATCHOGUE, N. Y.—John highly regarded."
>
> J. Daly & Co. Inc. has been

> it also would appear to have been Drive, West, to engage in a secua time of intelligent analysis, in- rities business. trospection, criticism and counsel. Investment dealers and investors, taking heed, should benefit.

The Funds Report York City, has been changed Chelsea Planning Corporation.

Trustees of George Putnam Fund of Boston have declared a quarterly dividend of 10 cents per LOS ANGELES, Calif.-The firm share from investment income, name of Gordon C. McCormick, payable Sept. 22 to stock of record Inc., 5150 Wilshire Boulevard, has Aug. 31. This dividend is the same been changed to Equity Securities as the amount paid last year at Corporation.

this time and is its 96th consecutive cash distribution.

Gross sales of Delaware Fund shares last month totaled \$1,733,-200, up 18% from July, 1960, the company reported. Repurchases this July amounted to \$438,700, against \$171,200 in the 1960 month, it was announced.

Total assets of Franklin Custodian Funds crossed the \$10,000,000 level and reached the historic high of \$10,057,972 on July 28. Sales of new shares during July reached a tablish his qualifications (or lack monthly all-time high of \$574,195. for business in general.

> declared a dividend of 6 cents per share, payable from net investment income and representing the 101st consecutive quarterly dividend. The dividend is payable Sept. 28 to stock of record Sept. 1.

> Shares of Investors Group Canadian Fund Ltd. had a net asset value of \$6.10 (U. S. dollars) on June 30, compared with \$5.32 on Dec. 31, 1960, and \$4.93 on June 30, 1960. Total assets amounted to \$112,315,051 at midyear, according to the semi-annual report.

> Keystone High Grade Common Stock Fund, Series S-1, has dedition to a 20-cent per share regurecord Aug. 31.

Lexington Income Trust reports these new purchases: Bell Isle Corp., Republic Natural Gas. Additions: Fedders Corp., Interstate Department Stores, Royal Dutch business, economic, political, in- Petroleum. Eliminations: American Telephone & Telegraph, Pa-Even the individual who has Railway, Union Tank Car, Na-

Carlson Secs. Formed

such as these. He may find him- ing a securities business from self asking whether he wouldn't offices at 56 Beaver Street, New

Cohen Co. Branch

Cohen and Company of San Francisco has opened a branch office at 30 Broad Street, N. Y. City.

J. J. Daly Co. Opens

J. Daly & Co., Inc. has been So, if it's been a hot summer, formed with offices at 10 Dahlia

Now Chelsea Planning

Corporation, 90 John Street, New York City, has been changed to

Now Equity Securities



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The Automobile Outlook

By Edward N. Cole,* General Manager, Chevrolet Motor Division, and Vice-President, General Motors Corp., Detroit, Mich.

A sharp sales rebound in the next few months, stimulated by the 1962 line, is expected to accompany the business recovery. Hope is expressed for an equitable labor-management settlement without production-curtailment.

There are a number of reasons riod of good business for the why we believe that the last half automotive industry. of 1961 will be good not only for the automotive industry but also

First of all, our economy is now definitely on the way to recovery from the recession which started last summer and bottomed out in late February of this year. Since that time the economy has shown constant improvement in most basic areas. Recent gains in industrial production show considerable strength.

The automotive industry, with the rest of the economy, hit its point in January and low February. Industry sales for March, April and May advanced to substantially higher levels and further improvement is expected in the months ahead.

Of particular importance in our over-all economic outlook is the fact that the downward adjustment of inventories, which played such an important role in the erly with Cruttenden, Podesta & earlier economic decline, has now been essentially completed in all fields. As a result, the production of steel and other basic industrial materials is on the rise and production of consumer products is now being scheduled to match the current sales levels.

Along with the general improvement of economic conditions, of course, has come a significant rise in consumer confidence. This is particularly important for the automotive and other "hard goods" industries which traditionally suffer most from any appreciable loss of consumer confidence.

Looking to the last half of 1961, personal incomes have already recovered to the previous high set in October, 1960 and can be expected to continue to rise. Gross national product and industrial production will likely establish new highs in the late summer or early fall. It is also expected that spending by consumers, government and business will show substantial increases over the level recorded thus far in 1961.

Sees Sales Rebound

Under these conditions, we believe that spending for automotive products should rebound sharply. This has been the experience in other periods of recovery from economic readjustment.

We also believe that many people who deferred purchasing The firm name of Chase Planning new cars or trucks during the past year because of the recession will come into the market during the next few months. Incentive to buy will be tremendously increased in the fall when the industry brings out its 1962 models.

Current contract negotiations with labor naturally raise questions about the ability of the auto industry to operate at high levels of production during the last half of 1961. We realize that work stoppages would hurt not only the automobile business but, because of the many other industries which serve as our suppliers, could also seriously impair the well-being of the entire economy. We are hopeful and confident, however, that an equitable settlement between labor and management can be reached without any curtailment of production.

In summary, I believe that the last half of 1961 should be a pe-

*An address by Mr. Cole at the "Outlook for Business for the Last Six Months of 1961" seminar sponsored by the First National Bank of Chicago.

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(Special to THE FINANCIAL CHRONICLE) ST. LOUIS, Mo .- Charles L. Kuhlman has become associated with Smith, Moore & Co., 509 Olive Street, members of the New York and Midwest Stock Exchanges. Mr. Kuhlman, who has been in the investment business in St. Louis for many years, was form-

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BANK AND INSURANCE STOCKS

This Week — Insurance Stocks

FIRST HALF UNDERWRITING RESULTS

First reports of second quarter underwriting results for the fire and casualty insurance industry were generally disappointing. Although most companies were able to show some improvement over the poor experience of the first quarter, the results for the April-May-June months in most cases were less favorable than those of the comparable months of 1960 and on an unprofitable basis. Six months results are thus well below those of a year ago and experience over the remainder of the year will need to substantially improve in order to match the underwriting performance

Premium volume advanced 3%-4% over-all in the six-month period with higher gains reported by some of the specialty underwriters. The increase in premiums written is less than that recorded in the first half of 1960 and reflects the continuation of strict underwriting controls by many of the top quality companies, the reduction in rates through competitive pressures in Homeowners policies, the greater use of discount and lower cost meritrating policies in the automobile field, and the effects of the 1960-

61 recession.

The decline in underwriting profitability is attributed to a rise in the loss ratio as expenses in relation to premiums written remained constant or actually declined through the continuing efforts to improve operating efficiency throughout the industry Increased fire losses were the principal factor in the rise in incurred losses. The National Board of Fire Underwriters reported fire losses at \$635 million during the first six months of 1961, 10.6% higher than a year ago. June fire losses at \$103 million were 24.8% greater than in 1960. In addition to the poor experience in the fire lines, which was primarily felt in the first quarter, windstorm losses resulting from a number of tornadoes in the Middle West and poor hail experience also were significant in the decline in the underwriting profitability. Results in automobile lines are believed to have been similar to those of a year ago, while workmen's compensation, fidelity and surety, and general liability lines showed some improvement, although the level of profits in these lines is still not satisfactory.

Selected Reported Underwriting Profit Margins

	1st Qtr. 1961	2nd Qtr. 1961	1st Half 1961	1st Half 1960
Aetna Insurance	- 0.2%	-1.0%	-0.4%	3.3%
American Insurance	- 2.9	-1.8	-2.3	2.2
Fireman's Fund	-2.7	5.8	-3.4	0.1
Glens Falls Ins	- 7.5	0.8	-3.9	-0.9
Home Insurance	- 6.9	-3.4	-5.1	0.3
Ins. Co. of N. A.	— 2.8	1.7	0.5	4.3
Phoenix Insurance	-13.3	4.1	-4.4	-0.8
St. Paul F & M	-2.6	-1.8	-2.2	4.0
U. S. F. & G	1.5	3.1	2.4	2.2

While the reports of disappointing second quarter and first half underwriting results did have some effect on the market for insurance stocks, most prices remained at or near their 1961 highs. In some individual cases this was due to the successful countering of the industry trend in underwriting results or to the increased possibility of mergers because of the Connecticut General case decision. However, investors generally were impressed with the continuing rise in net investment income and the substantial gains in policyholders' surplus through appreciation in stock market values. Furthermore, the market has apparently already discounted the underwriting results of the first six months and is looking ahead to a sharp recovery over the remainder of the year.

Reported gains in net investment income during the first six months generally ranged from 5% to 10%. In almost all cases net investment income exceeded statutory underwriting losses so that an over-all operating profit was realized. New investments, for the companies whose cash position permitted the investment of excess funds, were concentrated in common stocks and municipal bonds. The increase in book values was even more impressive than the gains in investment income. Many companies with heavy commitments in common stocks, benefiting from the 1961 bull market in stocks, had rises in surplus in excess of 10% during

Underwriting results over the remaining months of 1961, in the absence of a major catastrophe, will compare favorably with those of 1960 which were severely penalized by the \$150 million loss incurred in Hurricane Donna. However, even allowing that the industry will suffer only relatively minor losses during the approaching hurricane season, many companies will be hard pressed to match their 1960 profit margins due to the sharp decline in first half underwriting results. If the industry were to

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suffer severe hurricane losses, 1961 underwriting results would be the worst since the heavy losses of 1957.

Leading Fire and Casualty Insurance Stocks

Rece	nt 1961	Est.		Est. 1961	Price X	Discut.	
Price	Range	Div.	Yield %	NII*	Est. NII	(Prem.)	
Aetna Casualty140	140-94	1.40	1.0	5.60	25.0	(52)	
Aetna Insurance123	125-89	3.00	2.4	8.60	14.3	15	
American Ins 30	35-26	1.30	4.3	2.30	13.0	25	
Boston Insurance 36	37-31	1.80	5.0	3.10	11.6	37	
Continental Ins 67	67-54	2.20	3.3	3.75	17.8	25	
Continental Cas103	116-87	1.50	1.5	2.55	40.3	(140)	
Federal Insurance 72	76-57	1.00	1.4	2.10	34.3	(55)	
Fireman's Fund 61	70-53	2.00	3.3	4.30	14.2	20	
Glens Falls Ins 44	45-37	1.00	2.2	3.50	12.5	34	
Great American 56	64-48	2.00	3.6	4.35	12.9	39	
Hartford Fire 75	76-57	1.10	1.5	2.75	27.2	(32)	
Home Insurance 60	65-54	2.20	3.6	4.05	14.8	35	
Ins. Co. of N. A 101	109-76	1.80	1.8	3.10	32.6	(53)	
Maryland Cas 43	45-30	1.70	3.9	3.35	12.8	18	
Phoenix Ins118	124-81	3.00	2.5	7.40	15.9	36	
St. Paul F & M 81	81-60	1.44	1.8	2.80	28.9	(44)	
U. S. F. & G 62	62-42	1.20	1.9	2.90	21.4	(19)	
The state of the s							

C.E.D. Commission's Report On Money; Credit Analyzed

Continued from page 1

surgery, to consult well-trained, to their field of specialization, specialized, and experienced phy- and, for example, by the highlysicians. The same principle, among specialized members of the Econscientists, applies to questions in omists' National Committee on physics, or chemistry, or engineering, or statistics, or in any other Bureau of Economic Research, the specialized field including the history and principles of money and banking which require for reliability a training, specialization, and experience comparable to that in any of the fields mentioned. At search and products over periods least it is a fact that such is the means by which truth is obtained, if it is available by any known method. Truth is what the scientists in a particular field have established; and science is the method by which truth is

But the organizers of the C.E.D. Commission on Money and Credit utilized a different principle. States Mr. Wilde in the *Times* special section, p. 3: "The members of the Commission were deliberately selected to provide a group of men with different backgrounds: banking, business, government, labor, and the professions." The Commission had an advisory board of men well known in their respective fields and a research staff to aid or guide members of the Commission. In addition, "some 110 professors worked on research projects and brought in reports" according to Mr. Freeman in the American Banker of June 21, p. 8.

One consequence of this arrangement is that much or most of the material in the Commission's book is anonymous in nature, thus making it generally impossible for one to recognize the authorship of any section, paragrap tence, and difficult or impossible to apply the principles of external criticism (critical investigation of authorship) to the product - an important prelude to, or companion of, the application of the principles of internal criticism (determination of accuracy) to individual statements in a document. Exceptions are the comments, reservations, and dissents recorded in footnotes by designated members of the Commission in respect to various sections or smaller portions of the book. It is stated in the Report (book), p. x, that "Bertrand Fox and Eli Shapiro . . . prepared and revised a large number of drafts of the Commission Report. . . .

Experts Shunned

already been accomplished by the when one wishes to obtain the professors of money and banking truth in the field of medicine or who have devoted their adult lives Monetary Policy, the National American Institute for Economic Research, and the Tax Foundation, Inc., all of which organizations have been in existence and have been fruitful in their reof many years. For example, the Economists' National Committee on Monetary Policy, which, unlike the C.E.D. Commission, advocates a currency with the quality of integrity, has been in existence for 28 years and has a membership, past and present, of 171 monetary economists with an annual membership ranging from 69 to 93.

> Despite the voluminous and scholarly works in the field of money, banking, business fluctuations, and fiscal affairs published since, say, 1914, the C.E.D. Commission's book carries the following statement on the back flap of the cover: "This is the most complete study of this nature since the Aldrich Committee's report in 1908 that led to the establishment of the Federal Reserve System." The Aldrich Commission's report was not made in 1908; the 23 or 24 volumes (depending on method of binding) were issued in 1910-1912. Furthermore, says H. Parker Willis in his 1765-page book on The Federal Reserve System (The Ronald Press Co., New York, 1923), p. 526: "Least of all did the Federal bill for its broader concept.'

> Smith and Beasley state in their Carter Glass: A Biography (Longmans, Green and Co., New York, 1939), p. 87: "They [The National Monetary Commission] climaxed their achievement with a volumiwith the accompanying paraphernalia was at last interred to gather cobwebs in the basement of the Library of Congress. The matter is worth mentioning merely because of a persistent fable that this Commission's work and report were the basis, in some remote degree, of the Federal Re-

serve Act.'

was delivered by Mr. Wilde to the argument in its favor for the rea-President on June 19 although son that should the national gov-A question that arises, at least this was not the first public dis- ernment increase its expenditures in the mind of this author, is what play of the recommendations of for personnel, waste, and destrucof value is accomplished in a the Commission since Business tion, as in war, gross national report so constructed that has not Week (McGraw-Hill Co., New product could be expected to in-

York) had published a summary in its edition of June 17.

The General Trend of the Report

The central themes around which the Report is built are the currently-popular slogans or jargon of (1) "an adequate rate of economic growth, sustained high levels of production and employment, and reasonable stability of prices" (Mr. Wilde's Summary, p. 3, and the Report, p. 9); (2), the so-called compensatory principle by which the national government, especially the Executive branch, is to manage our monetary and fiscal affairs and the degree of general employment in a manner which, proponents of this theory contend, would minimize or prevent business fluctuations in the aggregate; and (3) coordination of money and fiscal policies under the control of the

The Commission's Report could not be described accurately as one in which it is deemed appropriate that the chief function of the national government, aside, for example, from performance of such necessary functions as provision for national protection and conduct of war, is that of umpire of private enterprise within the limits of the Constitution of the United States. Instead, it is a report which assumes the desirability of a high degree of governmentally - managed economy, especially under the direction of the President, and recommends an aggregate of devices for government management beyond the many that now constitute a heavy burden on our people and a dangerous trend away from Constitutional government. In the words of Mr. Wilde, Summary, p. 3: . The subject of the Commission's work is the responsibility of governmental institutions in promoting the success of our And further, p. 3: The Commission . . . recognizes the role of government in providing a proper degree of useful goods and services and in providing appropriate coordinating and

The slogan (1), which runs like a leitmotif or fugue through the book and Summary, is not a good substitute for the concept of "economic equilibrium" (dynamic) which means the best balance in production, consumption, exchange, and distribution of income as determined in free markets, with the government serving chiefly as a nondisturbing element (chiefly as umpire for private enterprise), and with the currency sound, that is, with the nongold currency redeemable in gold and with credit automatically self-

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regulatory functions.'

Liquidating. The notion that anyone could determine "an adequate rate of economic growth," if such growth could be defined and measured in a precise and meaningful manner (the C.E.D. Commission meets the Reserve Act draw [from preced- requirement of precision by using ing proposals] upon the Aldrich output per manhour per unit of employed labor as a measure of productivity—Report, p. 31), is not well grounded. The same applies to "high levels of production and employment." Surely our farmers are not engaged in a high level of production and employnous report, and this together ment under our various government programs of subsidy designed to induce scarcity aspect of our productive inactivity that was not discussed in any direct manner by the Commission in its Report. Furthermore, the idea that a rate of economic growth should be related, as by the Commission and others, to the statistical concoction called "Gross The C.E.D. Commission's Report National Product" has no valid

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[†] Discount (Premium) based on estimated 6/30/61 Liquidating Values.

Reasonable Stability of Prices

"Reasonable stability of prices," according to the Commission's Report, apparently means some variety of stability at the present the President the authority to fiscal policy. (1961) high level, as compared with that of 1939, for example, first income tax bracket of 20% during which period the purchasing power of the dollar declined the limits of five points above or ment and operation of a single mon experience of nations lacking such requirements. Back in 1920, approximately 58% as measured by the official index of wholesale Summary, p. 8) in the interests prices and approximately 54% as of the compensatory theory and eral Reserve, the price control sion of nongold money and credit, economy and therefore irredeemmeasured by the official index of consumer prices. Improved me- fiscal affairs under the Executive, ment agencies. Essentially, re- of the currencies, and repeated appear to be a correct answer to thods, and a greater volume, of production apparently are not to the Commission had good advice rests with the President. . . . be permitted to result in lower on the principles of delegation of There is need for an instrumen- that a gold reserve protects a na- quences of the Peace (Harcourt, prices; in fact it is stated, in the legislative powers within the liminterests of price stability, "that the average rate of growth of the grounded Constitutional Law. It dent and to see that the various ble ultimate collapse in value. money supply should be consistent with the continued mainte- mary, p. 6) that it might be wise nance of high employment at to have selective credit controls out at the proper time." stable prices and adequate eco- for the purpose of controlling nomic growth" (Summary, p. 5, and Report, p. 61)-a sort of quantity theory of the value of control be investigated by the dination under the Executive and money which lacks validity. For central government. example, on June 30, 1920, the total of money and deposits was \$42,902,000,000. The index of wholesale prices was 167 (1947-1949=100). On June 30, 1936, the essentially Keynesian, political total of money and deposits was \$57,576,000,000. The index of wholesale prices was 79.2. The index of industrial production for of this power of management national government's activities-June, 1920, was 91) adjusted for lodged with the Executive branch a remodeling pointing toward Ex- by the Commission that it believes is that these U. S. "progressives" seasonal variation, average for of the government and an inter- ecutive dictatorship. 1923-1925=100); that for June, 1936, was 105.

Elsewhere in the Report (p. 13) it is stated that "The Commission's concern with reasonable United States and impair the price stability is directed primarily to the avoidance of sustained, moderate increases in the general price level and of rap a increases even of limited duta-

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As to the use of irredeemable currency, a tool of dietatorial governments, versus a currency with the quality of integrity (a currency redeemable in the standard gold dollar and credit automatically self-liquidating), the Commission seems to assume the sic element in this report is the desirability of irredeemable currency without question. No important amount or variety of types of currency; or to the very fundamental issue involved in the role of the President in this reuse of irredeemable currency domestically. The fact that a redeemable currency represents integrity in both a nation's currency and in its government in respect all government agencies involved to that nation's currency finds no place in the Commission's Report.

The Compensatory Theory

government action (2) is treated tive coordination of money and as though the members of the credit instruments necessary to Commission were not aware of achieve the national economic the fact that regardless of busi- goals. It would seek to coordiness expansion or recession heavy nate the Federal Reserve System available to meet our internation, it seems reasonable to supnational debt have been practically continuous procedures on the part of the national government since, say, 1939. The compensatory theory, with its nonfactual basis and with the assumption that someone in t e out here that under the ejusdem Executive branch of the government can successfully manipulate monetary, fiscal, and other controls as strings are managed in a serve System since it is not among puppet slow, commonly overlooks the fact that under our Constitution, it is Congress that controls the public purse. Also overlooked, System" evidently refers to bringin the Commission's Report, as is commonly the case, is the fact the President. that, with an irredeemable currency in effect, the general public has lost practically all effective control over the use of the public purse and that Congress can spend and spend as it sees fit and as it has been doing since early

crease, other things remaining ernment action is essentially in- [from a war to a peace econ- confidence in the future value of Multer or Widnall bill remains to dulgence in impractical and un- omy]." They stated further, p. our currency than would be the be seen. Some maneuvering to the Commission treats this theory with seriousness and solemnity.

Still further: In its recommenjuggle the income tax rate on the business inventories; that at least the possibility of using such a

In brief, it may be said that the Commission's Report embraces the major features of the currently popular new or modern, economy theories which point toward more government management with an increased proportion the proposed overhauling of our for confidence in the future value depths caused by war, socialism, national agency (the International Monetary Fund), and with recommendations that would weaken still further the currency of the proper independence, from political manipulation, of the Federal Reserve System.

Increasing the Responsibility of

President, by Congressional delegation of authority and otherwise, are referred to briefly by Mr. Wilde in his Summary, p. 3, as follows: "A fundamental and barecommendation that the help of government in its various phases consideration is given to the two different institutions involved and more coordination. The significant gard is pointed out. .

deeply concerned with the role of would place greater responsibility in the office of the President for The compensatory theory of the proper, continuing, and effec-Employment Act of 1946. The Commission also seeks a greater degree of centralization for the

> Federal Reserve System.' Perhaps it should be pointed generis rule of statutory construction, the Employment Act of 1946 does not apply to the Federal Rethe institutions listed in that Act. And "a greater degree of centralization for the Federal Reserve ing it under the direct control of

greater coordination of various are very similar to the proposals sisting that complete trust can Senate on the President's budget. made by the staff of the C.E.D. in safely be, and should be, placed Jobs and Markets (March 1, 1946). in the driver. It is equivalent to other advocates of a governmen- of the Commission's attitude in There it was stated, p. 70: "What saying that if we open up our tally-managed economy, besides respect to impairment of the is most important is that there be gold reserves to an unrestricted the C.E.D. Commission, have enproper independence of the Fed-As the evidence and our Con- an effective body specifically re- run on them, with no penalties at- dorsed this dangerous proposal; eral Reserve System. "Better stitutional system should demon- sponsible under the President for tached, and if our reserves stould but whether they can marshall coordination" refers in general to strate, serious consideration of coordinating fiscal, monetary and be radically depleted, or disap- sufficient support to induce the coordination in the Executive the compensatory theory of gov- price policy during the transition pear, others will have greater majority of Congress to enact the

"Coordination of policy at this that black is white. level will require special maup or down as he sees fit within chinery. It means the develop- recognize the fact that the com- few central banks abroad have below the 20% rate (Wilde's program which involves major the protective device of reserve John M. Keynes, before he empolicies of the Treasury, the Fedthe coordination of monetary and agency and certain other govern- decline in the purchasing power able currency, gave what would the question arises as to whether sponsibility for such coordination devaluations. Nor does the Comtality to prepare an integrated tion's currency from unlimited Brace and Howe, New York, its of what is supposed to be well- program for review by the Presi- overexpansion and from a possi- 1920), p. 236: "In the latter stages is even suggested (Wilde's Sum- parts of the approved program [approved by whom?] are carried

> Report in behalf of more coor- could drop to any level. the application of the compensatory theory that does not conform ommendation, it would seem reato the prescriptions of the C.E.D. staff in 1946 (which were stated to be for the transition period only, and which gives the Consti- reserve requirements should con- emergencies, which have been tution of the United States and Constitutional Law a back seat in

The Proposal That the Requirement of Reserves for Federal Reserve Banks Be Abolished

recommendations of the Commissicn is that the reserve requirements for Federal Reserve banks be eliminated. Mr. Wilde, in his Summary, p. 13, calls this the President "strengthening the U. S. position The various recommendations as a world banker." The Report (3) to increase the power of the states that such action "would greatly strengthen the international position of the U.S. dollar. (P. 62.)

Mr. Wilde states further, p. 13: The requirement that gold be he'd against the note and deposit liabilities of the Federal Reserve banks tied up nearly \$12 billion requires more liaison between the of U. S. gold at the end of 1960, different institutions involved and leaving a 'free gold' stock of less more coordination. The significant than \$6 billion available for international settlements.

Mr. Wilde states further, p. 4: gold reserve requirement is not could diss "Since it [the Commission] is necessary for domestic monetary war chest. control. In the efforts to achieve adequate economic growth, low in originating or executing eco- levels of unemployment and reanomic policies, the Commission sonable price stability, the monetary authorities should not be limited by so mechanical a rule.

threat of a confidence crisis would longer properly ask people to buy among the Board's membership be greatly reduced if it were gen- its securities. Considering the erally recognized, both here and many sensible and patriotic minous with the term of President abroad, that all U.S. gold is bankers scattered across this nagovernment spending, taxation, more closely with the Govern- tional obligations. Any doubts pose that they would neither inpersistent deficits, and mounting ment's economic policies, in ac-national debt have been practi- cordance with the mandates of the removed by elimination of the advise their customers to do so. removed by elimination of the advise their customers to do so. that would be necessary to make gold reserve requirement at the earl'est convenient moment so that all of the U. S. gold stock is On May 9, Representative Vice Chairman should be able to available for international settle- Abraham Multer of Brooklyn control at least one other member

The statement that "nearly \$12 All the reserve of Federal Reserve banks can be paid out; but the im-The Commission's proposals for move; and this is analogous to posal by Secretary of the Treas-

dation that Congress delegate to flexible instrument of monetary- tantamount to assuming that one could persuade intelligent people by those who advocate repeal of

controls has been an overexpan- braced a governmentally-managed mission seem to recognize the fact in his book, The Economic Conse-

The Commission's proposal would open the way to a reduction of U.S. currency to nothing Bolshevist might have done from There seems to be nothing of but a hollow shell of unsupportimportance in the Commission's able paper, the value of which is over, most of them continue out

Should Congress be so unwise tises. as to adopt the Commission's recsonable to expect foreigners to make heavy runs on our gold normal, progressive, and desirable stock since the removal of these stitute an announcement to the digging themselves out of moneworld that there is no good reason of our dollar. The assertion made and dictatorships. A consequence dollar "would be greatly reduced" (Report, p. 234) if these reserve requirements were repealed, cannot possibly be anything but some One of the extremely dangerous form of delusion or-wishful thinking.

A Life or Death Choice

The Commission's proposal would open the way to a complete loss of this nation's gold stock which would mean that a war chest of gold, which any nation should have for purposes of safety, could disappear. We need to import many foreign minerals and metals if we are to produce and maintain various weapons in modern armament; and gold is sometimes the only certain means of purchasing from foreign countries, particularly those of a primitive nature. A war chest of gold can mean the difference between life and death for a nation at war. Wise and patriotic men do The retention of the domestic not recommend a procedure which gold reserve requirement is not could dissipate such a valuable

Should the brake on our loss of gold be removed and should the way be opened to an unlimited expansion of credit, as would be the case if the C.E.D. Commission's recommendation were fol-"The Commission believes that lowed, the government could no

Multer-Widnall Bills

introduced H.R. 6900 to repeal the reserve requirements of the Reb'llion of U. S. gold at the end of serve banks. On May 16, Repre-1960" was tied up is not accurate. sentative William B. Widnall of New Jersey introduced H.R. 7110 to accomplish the same purpose. portant consideration is that tax Fortunately, the opposition to this penalties on deficiencies begin to proposed legislation proved to be operate as the reserve ratio falls so strong and well grounded that, below 25%. It is this braking at this time at least, enactment mechanism on deficient reserves seems to be improbable despite that the Commission would re- reported endorsement of the proremoving the brakes on a locomo- ury Dillon, June 19, before the institutions under the President tive or automobile and then in- Joint Committee of the House and

justifiable theorizing. Nevertheless 70: "It is particularly important case if we maintained gold re- accomplish that purpose has been that tax policy, expenditure pol- serves and exacted sharp penalties revealed. At the same time there icy, banking policy and debt pol- for pushing them below the speci- are reports that the Multer bill is icy be fused into one effective, fied 25%. Such an argument is dead.

One of the arguments employed the reserve requirements of Fed-The Commission seems not to eral Reserve banks has been that that fallacious contention. Said he of the war all the belligerent governments practised, necessity or incompetence, what a design. Even now, when the war of weakness the same malprac-

The perspective of many of our "moderns" seems so short that they now appear to regard as the practices of nations, during tary, fiscal, and other economic United States in the same quicksand of weak currencies, government management of central banking practices, and a high degree of government - especially Executive — management of the economy that have caused so much distress and loss of human freedom abroad. Such proposals seem to be widely considered as far-sighted wisdom. This is a fundamental characteristic of some of the major proposals in the C.E.D. Commission Report.

The Proposal to Subject the Federal Reserve System to the Control of the President

This recommendation runs counter to the well-grounded lessons of human experience unless the desire be for government dictatorship or irresponsibility in government. One device proposed by the Commission to effect this change in our arrangements, which were designed to preserve the independence of the Federal Reserve System from political manipulation, is that the number of members on the Board of Governors be reduced from seven to five and that "The Chairman of the Board and the Vice Chairman of the Federal Reserve should be to serve a four-year term coterof the United States." (Wilde's

Although the proposal, if made would probably be all the Reserve Board a tool of the President, since the Chairman and of the proposed five-member Board, and since the President would be able to appoint other members under the plan that there be a vacancy each oddnumbered year, there is a little unimportant bending of the knee to the desirability of independence of the Federal Reserve System. Says Mr. Wilde, in the Summary, p. 6: "While accepting basic arguments for independence, the Commission nevertheless finds that the need for better coordination is very important." words "nevertheless" and "better Various internationalists and coordination" point to the essence Continued on page 22

C.E.D. Commission's Report On Money; Credit Analyzed

Continued from page 21

branch of the government substantially as recommended by the C.E.D. staff in 1946.

Representative Multer intro-duced, on March 9, H.R. 5447 to accomplish a portion of this purpose. The title of that bill reads: "To amend the Federal Reserve Act to provide that the terms of office of the Chairman and Vice ernors of the Federal Reserve System shall expire upon the expiration of the term of office of the President." The bill does not provide for the reduction of the number of Board members from seven to five as recommended by the C.E.D. Commission.

Thus far this bill has attracted little attention and, it is to be hoped, little support and interest. Presumably only Representative Multer knows why he introduced the two bills, H.R. 6900 and H.R. 5447, both on March 9, 1961. He demonstrated in the Congressional Record of May 25, p. 8304, that he was not aware of who owned the Federal Reserve banks.

Another device of the C.E.D. Commission for impairing the independence of the Federal Reserve System is to retire the capital of the Reserve banks now supplied by member banks and on which they are paid a cumulative dividend of 6%. In Mr. Wilde's words, p. 6, in the Summary: "The present capital stock of the Federal Reserve Banks should be retired. Instead, membership in the System should be evidenced by a membership certificate of \$500, the same for each member bank." Neither Mr. Wilde nor the book explains what would be done in respect to the present right of member banks to elect six of the nine directors of their Reserve bank.

Still further, the Commission recommends (Report, p. 89) that the Federal Advisory Council be chosen by the Board of Governors which would be under the control of the President. At present the members of the Council are chosen by the Boards of Directors of the Reserve banks. Although the Commission refers to the fact (Report, p. 83) that the Board of Governors of the Federal Reserve System, since 1946, that is, beginning in 1947, has been paying approximately 90% of the net earnings of the Reserve banks to the U. S. Treasury, this violation of Section 7 of the Federal Reserve Act does not elicit any adverse criticism from the Commission.

> Principles of Good Central Banking

Back in 1932, Sir Cecil H. Kisch and W. A. Elkin published To Give an International Agency the 4th edition of their book, Co., Ltd., London), in which they outlined the lessons learned in respect to the principles of good central banking based upon the experiences of the leading nations of the world over relatively long periods of time. They said, for example, pp. 22-23: "... If the control of the operations of the Central Bank lies directly or indirectly with the Government, it becomes fatally easy for the Government to finance itself for a time by means of book entries and short loans from the Bank, a course which is the first step towards currency depreciation and inconvertibility.

. . If the Government has a controlling influence over the evolutionary development of the Bank, there are obvious ways by International Monetary Fund. IMF which the more powerful interests resources should be increased in the country can try to enforce so there is no doubt that they their wishes. The road is open for are adequate to meet the maxipolitical intrigue, and there can mum foreseeable needs of its recommendations, is a reckless the reader with the fact that for Fall Outing Tuesday, Oct. 3, 1961 be no safeguard that the policy of members consistent with their "after us the deluge." As solutions over a decade the float, which at Lochmoor Country Club,

out bias as national interests require."

Said Kisch and Elkin, pp. 20-21: "Just because the decisions of the Bank react on every aspect of the economic activities of the country, it is essential that its direction should be as unbiased as is humanly practicable, and as continuous as possible. But clearly if the Bank is under State control Chairman of the Board of Gov- continuity of policy cannot be ernors of the Federal Reserve guaranteed with changing Governments, nor can freedom from political bias in its administration be assured."

Generalizations of this type by careful scholars in respect to principles of good central banking are to be found in abundance in our libraries which contain carefully-prepared and well-grounded books on central banking. To cite one more example: Said the Brussels Conference Resolution III of 1920: "Banks and especially a bank of issue should be freed from political pressure and should be conducted solely on the lines of prudent finance." (Available in Kisch and Elkin, op. cit., p. 17.)

In the light of the lessons in respect to the importance of an independent central banking system, stated so well by Kisch and Elkin for example, the following statement by the C.E.D. Commission in its Report, p. 85, is remarkable indeed: "Some arguments for independence [of the Federal Reserve System] are more or less frankly antidemocratic in their premises." Presumably one is expected to assume that the C.E.D. Commission's recommendations in behalf of domination of the System by the President are democratic in their implications. Executive dictatorship hardly contains the characteristics of democracy; and it is the present democratic arrangements in the Federal Reserve System that the Commission proposes to destroy.

The recommendations of the C.E.D. Commission in behalf of coordination of money, banking, and fiscal affairs under the Executive are not in accordance with the findings of scholars who oppose government management of a people and their economy. Furthermore, the Commission's recommendation that the Federal Reserve System be coordinated more closely with the government's economic policies, in accordance with the mandates of the Employment Act of 1946, overlooks the vital fact that the first and most basic function of our Federal Reserve System should be to preserve the integrity of our dollar. That would require prudent financing as recommended by Kisch and Elkin.

Monetary System

After outlining various proposals to increase the power of the International Monetary Fund, including the plan to transfer still more of U. S. gold to the Fund, as a means of assisting its member countries in financing their temporary payments deficits, Mr. Wilde states, Summary, p. 13: "The United States should now seek multilateral arrangements to protect the world payments mechanism against exchange crises. This objective can be accomplished through greater cooperation [by whom?] with central banks of other industrial countries in handling short-term capital movements and through further

in member quotas and by formaliz- unfavorable balance of payments, ing the right of the Fund to prodigal government spending, borrow the currencies of coun- relatively high prices, and loss tries in payments surplus."

There is also much discussion of devising ways of maintaining the liquidity of the nations participating in the Fund (Summary, p. 13), but there is practically tions be coordinated with various nothing to the effect that a nation activities prescribed for the Exshould be prudent in its monetary and fiscal affairs. The general to a complete paper money structrend of the Commission's argument seems to be revealed rather sistent adverse balance of payments. Says Mr. Wilde, Summary,
p. 12: "The classical policy prescription for reducing a power of the strength of the streng scription for reducing a payments lowing item, Summary, p. 12: "If deficit is a restrictive monetary policy.

the costs in terms of unemploy- ture must be recognized by other ment and lower growth would be countries. The change can be so great from trying to correct either a U.S. devaluation or by general restrictive monetary currencies." and fiscal policies that alternative means must be sought to achieve the necessaary balance."

In brief, the problem, as the Commission treats it, is apparently how to maintain a continuing prodigality without facing any commonly-exacted penalties. That is, indeed, a remarkable idea. But it is not confined to the C.E.D. Commission. The frequentlystated modern theory is that disasters, such as wars, and mankind's foolishness in the uses of credit, particularly by governments, must not be permitted to bring their logical penalties and readjustments. A progressive and far - sighted government must know how to overcome or absorb the tendency toward readjustments so that human foolishness may suffer no penalties. Government prodigality must be continued without successful challenge; and the question of what the ultimate consequences may be falls outside the concerns of these 'moderns" who proceed as though the correct prescriptions have at last been found, and by them proper economic growth, full employment, and reasonably stable

Prescriptions for avoidance of practices which can lead to sharp economic reactions are not in general deemed worthy of serious consideration these days since they might impede proper economic growth and full employment. The simple central problem, with modern enlightenment, is for the central government to have the tools by which the shocks which commonly result from human weakness and foolishness may be counteracted by government.

in the economic system, all pertinent facts considered — that is, other fundamental differences bethe concept of dynamic economic equilibrium — appears not to be that book and those in the C.E.D. Nikko Kasai understood by those who embrace Commission's Report. the over - simplified economic Greater Control Over the U. S. goals offered by the C.E.D. Commission and others, particularly Commission probably can be igthe net balance of forces working portance and partly because, if toward or away from economic any of the unsound ones should economic balance, are far removed from the mere enunciation benefit of the concerned public. of the goals offered by the C.E.D. Commission. One may easily state that full physical and mental vigor and absence of headaches and other unpleasant experiences are good; but such statements of such simple opinions are far removed from the requirements necessary to enable one to enjoy those aids to comfort and happi-

After Us, the Deluge

of gold in recent years, it is proposed, among other things, that the reserve requirements for our Federal Reserve banks be abolished, that Federal Reserve funcecutive, that the way be opened ture, and that the International Monetary Fund be provided with additional strength, presumably large U. S. payments deficits appear persistent, the need for a "The Commission believes that change in the exchange rate strucbalance of payments deficit appreciation of some other

> Apparently the C.E.D. Commission's recommendations assume that government profligacy should continue even if it means another devaluation of our currency! The logical end of a government program based upon such thinking is a worthless currency.

In the "Introduction to his Summary, Mr. Wilde states, p. 3: "It could fairly be said that their [members of the Commission] conclusions represent a consensus of American philosophy and economic judgment today." might possibly be the case if all scientific, nonpolitical, professional economists, who are highly specialized and have long-time perspectives and much experience in the fields of the history and principles of money and banking and business fluctuations are ruled out of the picture.

Should the authors of that report consult, for example, the book on A Proper Monetary and Banking System for the United States (The Ronald Press Co., New York, 1960) by Drs. Bell, Bradford, Kemmerer, Niehaus, Palyi, Patterson, Phelps, Spahr, and Wiegand, all long-time specialists and professionals in the field of money and banking, it should be clear that they could not be included in Mr. Wilde's generaliza-tion. In that book there are no recommendations that reserve requirements of the Reserve banks be abolished, that the independence of the Federal Reserve authorities be impaired, that there be coordination of monetary and fiscal affairs under the control of the Executive, that the way be opened to a dissipation of this nation's gold stock, that the use of The concept of the best balance irredeemable currency is good or that it be continued. There are tween the recommendations in

Other recommendations by the Appoints Mgr. the Keynesians with which brand nored safely, in the interests of of theory the C.E.D. Commission brevity, partly because they are, Report belongs. Ascertainment of at present at least, of little imequilibrium, and advocacy of receive serious consideration in those that contribute to a healthy influential Congressional circles, they can then be analyzed for the

Important Omissions

A peculiar and unjustifiable omission in connection with the Commission's discussions of the uses of total Reserve bank credit and of member bank reserves is consideration of the float - the extension of Reserve credit, against uncollected checks and Detroit Bond drafts, free of charge to member banks in the form of reserves. The essence of this common The float is referred to and in type of modern prescription, typi-fied by the C.E.D. Commission's but no effort is made to acquaint of Detroit will hold its Annual the Bank will be carried on with- economic stability. This can be for our present politico-economic is an unauthorized device for Grosse Pointe Woods, Mich.

accomplished by further increases difficulties, among which are our creating member bank reserves. has in general been the second largest item - next to investment by the Reserve banks in U. S. Government securities - in Federal Reserve credit outstanding.

> Concern for legal and appropriate practices by the Reserve banks in extending credit should have resulted in a careful examination of the float and a recommendation that its employment be terminated. Mr. Marriner Eccles was a member of the C.E.D. Commission, and it was under his Chairmanship of the Board of Governors of the Federal Reserve System that the float was expanded to such a high level of importance as a means of extending Reserve bank credit without cost to member banks.

> Another remarkable omission is an index to the Report. According to the front cover flap on the book, "nearly a million and a half dollars" went into the financing of this C.E.D. Commission project which yielded a book of 282 pages -almost \$5,320 per page. A book without an index tends to defeat the reader. It is much like assembling merchandise in a would-be store, then preventing possibly interested customers from finding easily those things of interest to them. Although the "Table of Contents" of this extraordinarily expensive book is well constructed, it cannot be a good substitute for a thorough index. The producers of a 282-page book costing approximately one and a half million dollars should have been able to provide readers or searchers with easy and proper access to its contents.

The Collective Import of the Commission's Study and Recommendations

As this author read Mr. Wilde's Summary and then turned to the Commission's Report for greater detail, the question arose, of course, as to the collective or net import of the Commission's study and recommendations. The conclusion reached is that the work of the Commission may provide an illustration of the pertinence that well-conceived comment made by John M. Keynes in 1920, in his book The Economic Consequences of the Peace, before he indulged in his mischief of embracing governmentally-managed economies and, of course, the use of irredeemable currencies. Said he during that more responsible period of his life (p. 238): "They [the capitalists] allow themselves to be ruined and altogether undone by their own instruments, governments of their own making, and a press of which they are the proprietors. Perhaps it is historically true that no order of society ever perishes save by its own hand."

SAN FRANCISCO, Calif.—Shizuo Hayase, President of Nikko Kasai Securities Company, has an-nounced the appointment of Tadao Kobayashi as manager of the San Francisco office, 220 Montgomery St. He recently arrived from Tokyo where he was sub-manager of Nikko Securities' Numazu Branch.

Mr. Kobayashi has been with the Japanese securities firm eight

Paul Hayashi will continue as Assistant to Mr. Hayase and submanager of the local office.

Club Outing

The President's Major Economic Problem

Continued from page 3

experimenting first with an Executive Council and then with a National Emergency Council and a Fiscal and Monetary Advisory Board, he created the Executive Office of the President in 1939. Its largest component was (and is) the Bureau of the Budget, which has the important function of reflecting the President's national economic policy in dollar terms.

Council of Economic Advisers

During President Truman's first term the Executive Office of the President acquired a new agency for synthesizing and objectifying the economic statesmanship of the President, to-wit, the Council of Economic Advisers. In the Employment Act of 1946, the Congress expressed a mandate to the Chief Executive to present at the standard. Did he choose with opening of each Congressional session a new major state paper midway between his State of the Union Message and his annual Budget. Its content is made up of three main parts: (1) a statistical and analytical review of the rival claims and pressures of state of the economy and trends communist imperialism? It would of its major elements, (2) a re- be premature for anyone, and statement of national economic presumptuous for this writer, to objectives and prospects for and offer any generalized answer or a impediments to their attainment, (3) recommendations for Congressional action to effectuate "maximum employment, production, to state what seem to me to be a and purchasing power . . . in a few major issues in that unfolding manner calculated to foster and promote free competitive enterprise and the general walfare." The Council of Economic Advisers was set up as a professional staff States in 1961 does not face any arm of the President in studying such clear-cut dichotomy as Abrathe economic problems of the ham Lincoln faced in 1861. "Honcountry as he formulates his eco- est Abe's" profile of courage faced nomic statesmanship for dealing unequivocably away from seceswith them.

The entry of a new President into office has always created something of a dilemma in this ritual of economic statesmanship. The outgoing President must submit his State of the Union Message, his Economic Report, and his Budget promptly after the convening of the Congress, whereas the incoming President a few weeks, or even a few days later must begin to reshape Executive policy in his own image. President Kennedy resolved this confusion with neatness and dispatch. Instead of following the precedent of slow and piecemeal fragmentary recommendations for analysis does give tools for ductive resources. changes, in programs, and doing tracing cause - and - result sead hoc tinkering with the existing quences, identifying and evaluatbudget, he went before the Con- ing alternatives, and deciding of the Union Message, sent the of action programs. These analy-nedy be the economic statesman of the Council of Eco-ses relate to price, wage, invest-who leads the way to integration Chairman of the Council of nomic Advisers to the Joint Eco- ment, saving, and spending poli- of Big Business and Big Labor nomic Committee of Congress cies and practices in the private into a pattern of peaceful co-exwith a condensed and drastically sector of the economy and to fisaltered economic report and program, and had the Bureau of the Budget draft the details of a substantially altered budget for the fiscal year beginning July 1, 1961.

The President's Economic Upbringing

Any real statesman is both a product of his time and an architect of his time. The life of John F. Kennedy has fallen entirely within the New Dispensation of economic liberalism. He was born in 1917, just as we reluctantly entered a "war to make the world safe for democracy." His formative years from 16 to 24 coincided with the yeasty period of Franklin Roosevelt's first two terms in office. The 13 even alarm, over the state of the minds of strong and willful men years of his own Congressional service covered by all but a few of important areas has held back power, he will be loath to sit sumonths the whole period since behind what the Congress insisted pinely by. But how far can Presi-

enactment of the Employment Act cies of Executive Departments and of 1946. Such economics courses other major agencies into some as he may have had in college and consistent grand strategy. After such economic philosophy as he has developed from his voluminous reading and his Congressional experience have inevitably borne the strong imprint of the recent widespread preoccupation with fiscal and monetary policies and programs. Whether the President now proceeds from this sort of lopsided system of economic thinking and action or displays a better-rounded economic statesmanship will be the real test of his intellectual stature and practical sagacity.

Mr. Kennedy left no doubt during his campaign that he conceived the office of President as making demands heavily, perhaps dominantly, for economic statesmanship. And history, in its lengthening perspective, will judge him, in no small measure, by that wisdom and press with discrimination as well as vigor the economic policies and programs that would most surely and fully vindicate and validate the free way of economic life against the bill of particulars in response to those questions. But as an individual economist I shall presume

Issues in the Unfolding Drama

The President of the United sion and toward the preservation of an indissoluble union. Chattel slavery and human freedom, too, were categorical opposites. But our Honest John must carve his profile of courage in the lines of sturdily preserve the blessings of economic liberty for ourselves and our posterity but at the same time achieve the dynamic of democratically and intelligently directed action by our central government.

science, does not offer the preciprivate business overlap.

jectives,

mote activity and growth till he was quite willing to have induscould see how fast and how far trial disputes brought to his White the existing forces of recovery House desk. When he wrote the will carry. He was too canny to formula for a steel settlement and resort to artificial stimulants both sides refused to accept these which would come into effect just terms, he seized the steel industry in time to turn healthy prosperity into inflationary boom.

"Knowledgeable" is my own personal dictum. By it I mean that the President is endowed with the intellectual reach and grasp to appreciate economic theory and to check it against business experience. Since economic doctors disagree and the opinions of business "big shots" and labor and farm leaders (even financial spokesmen) are likely to be colored by special interest, as true statesman of the economy he must pick and choose among his economic advisers and a vast and often inconsistent array of economic diagnoses and prescriptions.

Guidelines of Future Policy

I shall conclude, therefore, with a purely personal comment of what I believe will be truly discriminating choices and blends among the doctrine that will furnish guidelines for economic statesmanship in 1961-62-63 and then some. In my view, the last two or three decades have witnessed a fashionable distoration of big way. economic science to magnify fiscal and monetary manipulations as the means to attain the end of full employment and maximum production. It was, in the '30's, both timely and salutary to seek fuller understanding and wider recognition of that part of the economic process that channels through the public treasury rather than through private treasuries. But the thing got out of hand and led economists government functionaries, and the general public to denigate or neglect the role of private business management and organized labor's growing influence. Business executives and labor union executives themselves fell under the insidious illusion that, even with the great power they were gaining with the advance of multibillion - dollar corporations and multi - million - member unions, they were absolved from any posa complex statesmanship that will itive responsibility for the maintenance of national prosperity. When they jointly produced such a mess as the 117-day steel shutdown or the assassination of price competition, the President and the Congress would in some magical way compensate for this breach For the atainment of this great of public trust, make GNP so amend, economics, being a social ple that everyone could come in "for grabs" - and yet all these sion tools that natural science groups be free to continue their reinterpretation of the economic supplies to industrial production irresponsible ways of private adstate of the country, submitting and space probes. But economic ministration of the nation's pro-

The Big Question

I have been pondering this quesgress of Jan. 29 with a new State upon direction, scale, and timing tion since last fall: Will Mr. Kenistence reasonably geared to full cal and monetary policies, spend- use of national resources privately ing and taxing, in the public sec- owned and managed? He has quite tor and to regulatory activities in evidently realized that this is a the area where government and challenge to his economic statesmanship no less pressing than Now while I reserve my private budgeting, debt management, and citizen's right to gripe and the tax reform. He promptly set up economist's right to quibble about an Advisory Committee on Labordoctrine, I will venture the opin- Management Policy of top busiion that, on the record so far, ness and labor executives on a President Kennedy's economic continuing basis under rotating statesmanship has appeared chairmanship of the Secretaries knowledgeable, discriminating, of Commerce and of Labor. There vigorous and, at the same time, is good reason to feel that this is prudent. Among these four ad- no mere window-dressing or the "vigorous" speaks for delegation of his leadership to his itself, but I have linked with it Cabinet lieutenants. If an autothe term "prudent" to emphasize mobile workers' strike erupts bethe fact that, although Mr. Ken- fore the Labor-Management Connedy has expressed deep concern, ference has time to enlighten the economy, he has not "pressed the or tries to use national security panic button" and in a number as the weapon of its bargaining

and ran up the American flag as a sign of Federal occupation. The Supreme Court ruled that this was an unconstitutional use of the Presidential power, but new legislation could certainly be devised that would take such areas of labor-management action permanently out of the hands of the private parties.

Oscar Wilde, the poet, said: "Men kill the thing they love." wonder if John Kennedy can dissuade business tycoons and labor bosses from giving a death blow to the free enterprise system they profess to love. Or can he spur and inspire them to such devoted practice of that system that we will "bury" the threat of Communist encroachment in the free or uncommitted world.

Already union leaders are busy preparing wage demands, and industrial price - makers planning mark-ups hat will short-circuit the Administration's full employment program into a new inflation game—and the stock market is discounting such inflation in a

The President's Perception

That President Kennedy clearly sees the cruel dilemma in which his Administration and his country are caught was made evident in the State of the Union Message that he presented to a joint session of the Congress nine days after his inauguration. Listen to his words:

"I speak today in an hour of national peril and national opportunity. Before my term has ended, we shall have to test anew whether a nation organized and governed such as ours can endure. The outcome is by no means certain. The answers are by no means clear. All of us togetherthis Administration, this Congress, this nation-must forge those an-

"Only with complete dedication by us all to the national interest can we bring our country through the troubled years that lie ahead. Our problems are critical. . . . It is one of the ironies of our times that the techniques of harsh and repressive system Upjohn Co. should be able to instill discipline and ardor in its servants—while the blessings of liberty have too often stood for privilege, materialism, and a life of ease.

It is the part of economic statesmanship to curb those disruptive tendencies, not pander to them. As as economist I have grave misgivings about the statesmanship of allocating billions of dollars and accompanying top-flight human talent to keeping up with the Russians' "spectaculars." I deplore the apparent intention to condone the stupidity of lavish subsidies to certain branches of agriculture to perpetuate the maladjustment of their enterprise to market demands. I question the wisdom of shaping tax policy to the giving of incentives to industrial managers to expand plant in the very lines where we already have excess capacity or to "modernize" their processes in ways that put more pressures of de-mand on talent that is scarce and curtail the number of jobs that would give a livelihood to grades of ability that are already swelling the ranks of the unemployed. I am disturbed at some hints of a desire to bring Federal Reserve policy under the dominance of Treasury policy. I believe proper harmony can be achieved without loss of administrative freedom.

These, as I said before, are just some of my personal crotchets. But with my youthful optimism I do not let them give me ulcers. I tence that I used to conclude a cipal of the firm.

on doing. He has curbed his zeal dential prerogatives be carried in recent article under the title to apply Federal measures to pro- a "free" economy? Mr. Truman "1960: Hinge Between Two Dec-"1960: Hinge Between Two Decades." Suggesting that the term "sobering sixties" may be better ades." than "soaring sixties" to describe the period just ahead, I said:

'If the Sobering Sixties are in fact to mark our progress toward a wary partnership of labor and management and a pragmatic complementarity of private enterprise and public enterprise, the hinge period on which we swing toward that better day needs to be well oiled with both economic intelligence and group telerance."

*An address by Mr. Nourse before the District of Columbia Bankers Associa-tion, The Homestead, Va.

Orkin Company Common Sold

Merrill Lynch, Pierce, Fenner & Smith Inc., New York City, and Courts & Co., Atlanta, are joint managers of an underwriting group which is offering 360,000 shares of Orkin Exterminating Co. Inc. at \$24 per share. The offering marks the initial public sale of the company's common stock.

None of the proceeds from the sale of the common shares will accrue to the company as the stock is being sold for the account of certain stockholders.

Orkin, with headquarters in Atlanta, Ga., is believed to be the world's largest pest control company in terms of consolidated sales and net worth. The company and its subsidiaries operate in 28 southern, central and southwestern states and the District of Columbia. Pest and termite control services are provided on a contract basis through approximately 2,900 sales and service personnel to residential, commercial and industrial customers. The company is a successor to a business which was founded in 1901 to sell pest control chemicals to industrial and commercial users in eastern Pennsylvania.

For the six months ended April 30, 1961, the company and its subsidiaries had consolidated gross revenues of \$14,014,000 and net income of \$831,000, equal to 35 cents per common share. The outstanding capitalization of the company consists of 2,400,000 shares of no par common stock.

Common Sold

Morgan Stanley & Co. and associates are offering publicly 633,400 common shares of The Upjohn Co. at \$52.50 per share. The stock is being sold by Kalamazoo College, certain charitable organizations and certain members of families descendant from and relatives of Dr. W. E. Upjohn who founded the business in 1886. The proceeds will go to the selling stockholders.

The company has earned a net profit and paid cash dividends on its common stock in every year since 1909. Quarterly dividends at the rate of 18 cents per share have been paid in the last year and a half.

The company with headquarters in Kalamazoo, Mich., is one of the largest ethical drug manufacturers in the United States. Products are sold primarily to a professional market comprised essentially of physicians, hospitals and pharmacists. The company currently manufactures and sells approximately 490 ethical drug products and limited amounts of fine chemicals, veterinary and agricultural products.

In Securities Business

CHICAGO, Ill.—Alexander Hamilton Investment Co., Inc. is conducting a securities business from offices at 53 West Jackson Bouleshall close with the same sen- vard. Donald A. Smith is a prin-

NEWS ABOUT BANKS AND BANKERS

Consolidations . New Branches . New Offices, etc. . Revised Capitalizations

ecutive Officer of Security National Bank of Long Island, N. Y.,

it was announced Aug. 22. He was formerly Vice-President and general counsel of the institution in which he is also a Director.

Mr. Maccaro succeeds as President Herman H. Maass who has been elevated to

Chairman of the Board of Di-

George E. Maccaro

Mr. Maccaro from 1949 to 1952 was a Director and counsel of Fort Neck National Bank of Seaford, L. I.

Upon the consolidation of the bank into Security National Bank of Long Island in 1958, Mr. Maccaro was elected a Vice-President Willard Fiske Place, 65, Chairman and Director of the merged institution. The following year he was also elected General Counsel of

Robert V. Higdon has joined the Chase Manhattan Bank, New York, as Technical Director electronics industry, it was announced Aug. 23 by David Rockefeller, President.

The merger of the Hempstead Bank, Hempstead, N. Y. into the Chase Manhattan Bank, New York was approved Aug. 22 by both institutions at special stockholder meetings. The merger must be approved also by the State Banking Department and the Federal Reserve Board.

The plan calls for issuance of thirteen-eighteenths of a share of Chase Manhattan stock for each of the 360,000 shares of stock of the Hempstead Bank outstanding.

The common capital stock of The Meadow Brook National Bank, New York City, New York, was increased from \$14,204,675 to \$14,- First Bank and Trust Company,

George E. Maccaro has been shares outstanding 2,897,753 elected President and Chief Ex-shares, par value \$5.)

Chemical Bank New York Trust value \$25) Company has elected Lewis P. Seiler and Henry H. Henley, Jr. to its Grand Central and Upper Midtown Advisory Boards, respectively, Chairman Harold H. Helm announced Aug. 23.

The opening on Aug. 21 of a branch at 60 Wall St., New York, was announced by Bank Leumi le-Israel (Hebrew for: National Bank of Israel).

Dr. Y. Foerder, Chairman of Bank, effective July 27. Bank Leumi, announced the ap-Manager, and of Theodore K. Landau as Assistant Manager of Strauss has been in the service came its Representative here in 1950 and its Agent in 1959. Mr. value \$100.) Landau is connected with the Bank since 1950 as Assistant Rep- The Office of Comptroller of the Agent.

of the Board and former President of the Excelsior Savings Bank, New York, died on Aug. 19.

The County Trust Company, White Plains, N. Y., named Harold, P. Haghenbeck, Walter J. Michaels, and Edward C. Donnelly Assistant Treasurers.

Approval was given on Aug. 11 by the New York State Banking 200,000 shares, par value \$10.) Department to the Port Chester Savings Bank, Port Chester, N. Y., Richard W. French has been to change its title to the Port Chester-Rye Savings Bank.

Company and under the title par value \$100.) Cape Ann Bank & Trust Company, effective June 2.

488,765 by a stock dividend, Perth Amboy, New Jersey, on effective August 9. (Number of Aug. 7 received approval from

Bank, Fords, New Jersey.

Jersey, has increased its common outstanding 40,000 shares, par pore.

Frederic W. Burr has been appointed Trust Officer in the Trust Department of Mellon National Rights Offering Bank and Trust Company, Pittsburgh, Pa., according to an an-announcement by Mr. Frank R. To Stockholders Denton, Vice-Chairman.

Spencer, West Virginia, has

pointment of Gideon Strauss as By a stock dividend, the common capital stock of The First National Bank of North Platte, North the New York Branch. Mr. Platte, Nebraska, was increased from \$250,000 to \$350,000, effective of Bank Leumi since 1936. He be- August 8. (Number of shares ing will be used by the company outstanding 3,500 shares, par to make additional investments in

resentative and later as Assistant Currency on Aug. 9 issued a charter to The First National Bank of activities related either to the Laurens, Laurens development of land or to the development of land or to the development of land or to the electronic industry. A portion of President is George L. Phinney and the Cashier is J. P. Souther-land. The Bank has a conitate of ing an available of land or the land. land. The Bank has a capital of ing on real estate located at Palm \$200,000 and a surplus of \$150,000. Beach, Fla.

> City National Bank of Baton Rouge, Baton Rouge, La., increased its common capital stock from \$1,-800,000 to \$2,000,000 by a stock dividend, effective August 11. (Number of shares outstanding

elected a Director of the Texas National Bank, Houston, Texas.

The Cape Ann National Bank of The common capital stock of the Gloucester, Gloucester, Massachu- First National Bank at Lubbock setts, with common stock of \$200,- Lubbock, Texas, was increased 000, was merged with and into from \$2,000,000 to \$2,300,000 by tion will consist of 1,464,996 share. Gloucester Safe Deposit and Trust stock dividend and from \$2,300,000 Company, Gloucester, Massachu- to \$2,500,000 by sale of new stock, 000,000 of sundry debt. setts, under the charter of Glou- effective Aug. 5. (Number of cester Safe Deposit and Trust shares outstanding 25,000 shares,

> Allyn C. Browne, Assistant Cash-Garat, Polonitza ier at the Oakland office of The Bank of California, N. A., San LOS ANGELES, Calif. - Garat Francisco, Calif., died Aug. 18. He was 31 years old.

California in 1956 and was ad- 639 South vanced to Assistant Cashier in Spring Street,

Richard W. Heldridge has been of Ralph M. appointed a Vice-President and Dahl. Mr. Assistant Manager, at the capital Dahl who has office in Sacramento, by the been in the Crocker-Angle National Bank. San Francisco, Calif.

Gilbert H. LaPiere has been elected a Vice-President of Union Bank, Los Angeles, Calif., and Manager of the petroleum department, it was announced by Harry J. Volk, President.

Previously Mr. LaPiere was an officer in the petroleum departof Chase Manhattan Bank in New * *

BANK OF HAWAII, HONOLULU,

HAWAII June 30, 1961 Dec. 31, 1960 Total resources__ \$362,545,707 \$357,074,213 Deposits _____ 330,601,001 325,955,098 Deposits _____ Cash and due 62,180,941 61,144,527 from banks. U. S. Government secu'ty holdings 103,107,718 93.450,327 Leans & disc'nts 172,720,494 179,271,542 Undivided profits 5,743,856 5,081,698

A Swiss investment and banking group has announced the establishment of a private bank in Panama City, Panama, to be called agement of Carl Steinhauer.

the Board of Governors of the the Banco Suizo Panamericano American & Federal Reserve System, to pur- (Swiss Pan American Bank, Inc.), American & liabilities of The Fords National \$1,000,000 and to be headed by Dr St. Lawrence Manuel Cisneros.

The First National Bank of Mid- Branches of The Chartered Bank, dlesex County, South River, New London, England, have been opened at Hung Hom, Kowloon, capital stock from \$900,000 to Hong Kong and in the market dis-\$1,000,000 by a stock dividend, ef- trict of Phnom Penh (Cambodia) fective Aug. 7. (Number of shares as well as at Queenstown, Singa-

Florida Capital Corp. is offering to holders of its common stock, Traders Trust and Banking Co., rights to subscribe for 488,332 additional shares at \$7.75 per changed its title to The Traders share, on the basis of one new share for each two shares held of record Aug. 22. Rights to subscribe will expire on Sept. 5, 1961.

A. C. Allyn & Co. Inc., is manager of a group which will underwrite the offering.

Net proceeds from the financsmall business concerns in line with its overall investment policy. The company specializes in investments in firms engaged in

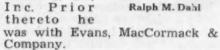
The company with headquarters in Palm Beach, Fla., was licensed under the Small Business Investment Act of 1938. It is registered as a closed-end non-diversified management investment company under the Investment Company Act of 1940, and provides longterm investment capital to small business concerns under the Small Business Investment Act. These investments are made primarily in companies in the field of land development or related activities or in the electronics industry.

Upon completion of the current financing, outstanding capitalizashares of common stock and \$2,-

Ralph Dahl Joins

& Polonitza, members of the Pacific Coast Stock Exchange, Mr. Browne joined The Bank of have opened a branch office at

under the management investment business on Spring Street for many years has recently been with Sellgren, Miller & Co., Inc. Prior



Macgill Named Secy. of Robert Winthrop Co.

Charles F. Macgill has been elected Secretary of Robert Winthrop & Co., Incorporated, 20 Exchange Place, New York City.

Internat'l Secs. Branch

Seaway Land Co. Common Offered

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Public offering of 100,000 common shares of American & St. Lawrence Seaway Land Co., Inc., is being made at \$3 per share by Professional & Executive Planning Corp., Long Beach, N. Y. Net proceeds will be used by the com-pany for repayment of debt, construction and working capital.

The company with headquarters at 60 E. 42nd St., New York City was organized primarily to engage in the general real estate business. Its principal tangible asset consists of approximately 100 acres of land located on Black River Bay, Sachets Harbor, New York. Called Port Madison, the property is a natural deep water harbor 15 nautical miles from the mouth of the St. Lawrence River and is the nearest deep water harbor on the American side of the Seaway. On 40 of the 100 acres there are 115 buildings plus all utilities, streets and sidewalks. The remaining 60 acres abut upon paved roads that contain all utilities and are available for future development. At present, there are no docking facilities. The Penn-Canada Highway, now under construction, which will connect with the New York Thruway and arterial highways into New England, is within a few miles of the company's property.

Authorized stock consists of 2,000,000 shares of common stock (par 25 cents), of which 423,425 shares will be outstanding upon completion of this sale.

Business Funds Stock Offered

group managed jointly by Clark, Dodge & Co. Inc., Alex. Brown & Sons and Rotan, Mosle & Co. is offering publicly an issue of 1,750,000 shares of Business Funds, Inc. capital stock at \$11 per

Business Funds, with headquarters in Houston. Tex., is licensed as a small business investment company. Its basic activities consist of making investments in the equity capital and long-term debt securities of small business concerns, furnishing consulting and advisory services to these concerns, and the financial administration of its investments.

Net proceeds from the sale of the new shares will become additional working capital to be invested in, or leaned to, small business concerns. Upon issuance and sale of the shares, the company will have a paid-in capital and surplus of approximately \$19,000,-000. This will permit it to invest, in normal operations, up to \$3,-800,000 in any single small business concern.

Giving effect to the sale of the new shares of capital stock, capitalization consists solely of 1,965,-000 shares of capital stock, par \$8.

New McDonnell Branch

SAN JOSE, Calif.-McDonnell & Co. Incorporated has opened a branch office at 353 Town and Country Village under the management of Richard Smith.

Four With Morris Cohon

(Special to THE FINANCIAL CHRONICLE) LOS ANGELES, Calif. - Sydney Goldstone, Albert R. Gulbin, Rob-FRESNO, Calif. - International ert R. Leavitt, and Robert Rein-Securities Corporation has opened man have joined the staff of Mora branch office in the T. W. Pat- ris Cohon & Co., 5740 Wilshire terson Building under the man- Boulevard. All were formerly with Raymond Moore & Co.



Unclaimed Property Held by THE TITLE GUARANTEE COMPANY formerly TITLE GUARANTEE AND TRUST COMPANY

176 Broadway, New York 38, N. Y.

AMOUNTS DUE ON DEPOSITS

Garrity, Anna La Bau, Jean Owens, Mary C. Penaecine, Thomas D. Quinn, J. J. M. Solz, Morris Unknown

234 Kingsland Ave., Brooklyn, N. Y. Unknown Unknown Unknown Unknown

AMOUNTS HELD OR OWING FOR THE PAYMENT OF NEGOTIABLE INSTRUMENTS OR CERTIFIED CHECKS

Fletcher, Bertha A. and Fletcher, Maxwell K. Furst, Flora R. Guessner, Arnold L. Harmon, Albert H. Hass, Florence and Hass, Henry Huston, Annie Sposedo, Emma and Sposedo, William G. Stenland, Nellie C. Taylor, Eurleigh M. Wentzel, A. J. Wilk, Agnes and Wilk, John

4326 Warwick Bivd., Kansas City, Mo.

129 S. E. 4th St., Miami, Florida 1218 Roanoke Blvd., Minneapolis, Minn. c/o West Publishing Co., St. Paul, Minn. 91 Central Park West, New York, N. Y. 606 W. 116th St., New York, N. Y. R. F. D. Box 52, North Windham, Maine 82216 Oxford Ave. Fau. Claire Wise. 822½ Oxford Ave., Eau Claire, Wisc. Conway, New Hampshire Reem No. 104 Bank Bldg., Superior, Wisc. 141-19 Cherry Ave., Flushing, N. Y.

A report of unclaimed property has been made to the State Comptroller pursuant to \$301 of the Abandoned Property Law. A list of the names contained in such notice is on file and open to public inspection at the principal office of the bank located at 176 Broadway, New York 38, N. Y. where such abandoned property is navable. abandoned property is payable.

Such abandoned property will be paid on or before October 31st next ersons establishing to its satisfaction their right to receive same. In the succeeding November, and on or before the tenth day thereof, such unclaimed property will be paid to the State Comptreller and it shall thereupon cease to be liable therefor.

AS WE SEE IT Continued from page 1

tically, because they repre- Bowles, in duty bound to rethem so far as they have tion of racial discrimination step. A secondary issue of 1,000, larger share of the current themselves. product for the man who works with his hands - and quite possibly a larger share of the accumulated social capital. Where discrimination is practiced, there is probably little doubt that the majority of the peoples in most instances at least want "racial

We must, however, confess some doubt whether these things would, without the improved plane of living which Mr. Bowles seems to belittle. produce the results desired. All these things plus a greater abundance of rice might well be the best antidote for the virus of communism. But all this leaves the really vital questions unsolved. Precisely how do we, definitely outsiders, assure these peoples of "economic justice," "racial equality," or even in some cases "self-government?" And how do we manage our grants-in-aid or our "loans" best to promote these ends? It seems fairly obvious that we have not succeeded very well in doing any such thing in the past-with the best of intentions, no doubt.

A Quandary Existing governments chosen, or at least accepted by the people turn out to be incompetent and even dishonest. Yet the peoples are, or may be, in real need of assistance—and there does not appear to be any way to afford help except through the regimes. In a good many other cases we find that the people appear quite unable to provide self-government of any sort which can effectively rule the country and administer its affairs. In some cases as in the Congo there are many factions, and the people (many of whom are simply tribes ranging the forests) are apparently quite unable to agree among themselves upon any form of government or any one or any group of natives to operate it. And racial discrimination? Our own imperfect record in this matter seems to place us under a handicap in dealing with it elsewhere.

But, are all these things we

they rest at the foundation of aspire to do self-consistent? plex than it may seem at first our own society and, realis- We are, according to Mr. glance. sent the crucial force which spect and to promote selfis now shaping the institu- government, yet we are also tions of our time." Again we supposed to promote a nummust agree that Mr. Bowles ber of causes which can hardhas gone at least part way in ly be appropriately imposed stating the essence of the sit- on a "self-governing" people. Continued from page 2 uation now existing in the so- A country which is required pany as it's principal source for called underdeveloped nations to alter the relationships of the earth. In general and in among the various factors of the abstract at least most if production in order to get aid not all these peoples want from us is hardly "self-gov-"self-government," and all of erned." Certainly the eliminathought about the matter a -where it exists-is the ex- from Sear's holdings, was consumgreat deal want "economic clusive business of the gov- mated by an excellently diversijustice," which in the jargon ernment which is established fied underwriting group headed of the day usually means a and maintained by the people by Goldman, Sachs & Co., and Lehman Brothers. Where for-

Who Decides?

Who is to say that any established regime is not one which represents "self-government"? Is it the duty, or even est corporations in the United the privilege, of an outside nation (which happens to have gifts to offer) to say that owns 54% of the common. any de facto government accepted by the people them- staff. selves is not really the choice of the people but a usurper which has set itself up to victimize the people? Of course, the communists are doing just that again and again—at the same time that they procere advocates of self-deter- mately \$20,000,000 - gives it a mination of peoples. In point wide area of development. of fact it is one of their most employed modes of procedure. We call it subversion and mostly we are quite correct in doing so. Yet it is a up a much stronger operation. fact that our non-interference in such matters has led more often than we could wish to situations in which a favored few enrich themselves upon our benefactions while the rank and file remain in poverty and misery.

Again, it is apparently generally believed that substantial improvement in the economic position of the great in the fourth quarter. rank and file, along with reasonable promise of a continuation of such improvement, is essential to a successful agile and adventuresome company, anti-communism program. rather than the tradition-laden in-Yet this requires much more dustrial giant. than a fairer distribution of the current economic product about \$11 a share. At approxibecause mortgage service costs is recognized as an authority on mately 13 times contemplated increase and there is always some the mutual fund management--assuming that such things are really any of the business of outsiders. In many instances—as in India, for example—a sine qua non of substantial improvement of the economic status of the rank and file is vastly increased production by the rank and file. Such an increase in productiveness requires capital. It, as a matter of fact, demands much more than capital—the ability to use capital to a good advantage. And if adequate capital is to be forthcoming reasonable evidence of such ability must be forthcoming — a problem for individuals or groups rather

than government. This matter of making aid in the security.

contribute to causes we think are desirable is far more com-

The Security I Like Best

paint and wallpaper.

Up to the present moment we have discussed the internal operation of the company, until December, 1960. In June of this year Sears took one further significant merly the stock had a floating supply of approximately 300,000 shares of common, marketability We may go even further, and a better market for the stock was achieved by this offering.

Where Does De Soto Now Stand?

It has a parent, one of the larg-States, who takes 58% of its sales. This might be considered dangerous, but remember that Sears still

It has an excellent research

It has Sears as a source of managerial talent, and market guid-

It has a built-in profit picture.

Where Can De Soto Go?

It has the intention of decreasing its dependence on Sears, and applications for mortgage insurincreasing its trade sales. The claim themselves the sole sin- small trade sales base-approxi-

Management has incentive options on stock expiring 1966 at prices below current levels. It could be expected that this time element would be utilized to build

While sales and per share earnings for the six months ended June 30, 1961, were comparable to 1960, these results are not necessarily indicative of operating achievements for the full year. would conservatively estimate sales in excess of \$50,000,000. Earnings, management has indicated, are presently budgeted to be ahead of last year's \$0.74 a share. A substantial increase in per-share figures could well develop based on economic prospects

The field of coatings and finishes is a rapidly developing one. The market could very well expand in the direction of the most

earnings for this year, this equity, loss on a complete delinquency. in the opinion of the writer, has the necessary basic elements for making good on losses. Finally, potential capital appreciation. This is derived from its possession of aggressive management, the proven record of success of the that the Government itself is Sears-developed organization, and the contemplated increase in public and private sepnding plans for housing repairs and rehabili-

tation, and new construction. It is listed on the New York Stock Exchange.

Capitalization

43/4 % preference (\$100 par)-redeemable at \$103.25 after Aug. 1, 1961, then lower.

Common: authorized 5,000,000 shares; outstanding 3,186,576

The firm or its partners may from time to time have a position

BY CARLISLE BARGERON President Kennedy's omnibus housing program enacted less than two months ago by Congress

is already in trouble.

FROM WASHINGTON

... Ahead of the News

risky, low term mortgages, which non-essential civilian programs. carry a low rate of return. They can do better elsewhere.

Administration timing of the of course, was to discourage in- ices. . . vestment in the Administrations' mortgages.

The president's deficit spending, ostensibly meant to boost the billion on the effects of the reeconomy, is another factor troumight very well force the Treas- an end by his Administration. ury to issue \$5 to \$8 billion in bonds before the end of the calendar year, which would provide a Shurtleff V.-P. more attractive investment than long term, low interest rate mort- Of Inv. Counsel gages. For one thing there is a minimum of risk in Treasury Investors Counsel, Inc., 445 Park bonds and they pay off in a rela-tively short time. When the cost nounced the appointment of O. of servicing a mortgage is con- Lynn Shurtleff as Vice-President sidered, the bonds pay about the same or a better rate of return.

Compounding these difficulties is the long delay in processing ance at FHA. Six weeks to six months are required as compared with about a week in the private market. Hiring and firing at FHA, due to patronage obligations, the difficulty in transferring the new housing law into regulations the field staff can understand and appropriation delays are responsible.

'We are anxious to cooperate with the Federal Housing offi-cials," said Robert Tharpe, President of the Mortgage Bankers' Association of America, "but investors are turning their backs on us, and we can't blame them. Their interest in FHA mortgages is just about nil.

Low down payments and 35 to 40 years mortgages discourage investors because they tie up savings for too long a time. They also create risks for the lender. Under these terms, many years must pass before the home-buyer acquires any appreciable equity in his home. Meanwhile, depreciation will have set in, diminishing his incentive to pay off the mort-

Even though the FHA mort-The stock is presently selling No investor likes a foreclosure and there Further, FHA is a year behind in FHA pays off in 10 year Treasury debentures, not in cash.

The result of these factors is forced to buy up the Kennedy mortgages through the Federal National Mortgage Association (Fanny Mae). Under its special assistance fund, Fanny Mae borrows from the Treasury to buy the mortgages - another avenue contributor to Federal deficits, a Class A preferred: 48,000 shares kind of vicious circle.

A Washington real estate consultant spelled out the problem this way: "No matter what was said during the campaign, Mr. Kennedy cannot legislate a good housing market. He cannot force investors to buy a turkey."

"We can afford it."

That, in essence was the Kennedy Administration's reply last week to Republican attacks on the President's decision to go As many experts had predicted, ahead with plans for increased investors are slow to buy the defense spending without curbing

Budget Director Bell's reply to Republican members of the House Ways and Means Committee, conlatest interest cut is also to blame. ceded the New Frontier has asked The reduction on interest paid by for many non-defense spending Federal Housing Administration programs, but added "As per mortgages from five and one half capita income rises, people can percent to five and one fourth afford a higher level of personal percent came just as other inter- consumption expenditures and a est rates were rising. The result, highel level of Government serv-

Mr. Bell also attempted to blame the fiscal 1962 defict which he estimated at only \$5.3 cession" which President Kennedy bling his housing program. It recently said has been brought to



of this mutual fund management company. Mr. Shurtleff was also appointed a Vice-President of Capital Sponsors, Inc., which sponsors Mutual Investment Companyof America as well as Capital Life Insur-

and Growth Stock Fund, mutual funds managed by Investors Counsel, Inc.

Mr. Shurtleff has spent 28 years in Wall Street following his graduation from the Massachusetts Institute of Technology where he received a degree in Business and Engineering Administration. He has been affiliated with a number of the country's leading financial institutions in a research and investment advisory capacity. From 1954 to 1959, he was the partnerin-charge of research at Hayden, Stone & Company, one of the largest investment banking and brokerage firms in Wall Street.

For many years, Mr. Shurtleff gages are insured, there is a risk. has been closely identified with the mutual fund industry and he mutual fund management distributing companies. In 1960, he joined the New York Stock Exchange firm of Laid, Bissell & Meeds where he established the first department in Wall Street specializing in these stocks and founded the monthly service News and Views on the Mutual Fund Management - Distributing Companies. He has been instrumental in assisting a number of management companies establish a public market for their shares. Mr. Shurtleff has served on the of backdoor financing and another Investment Advisory Committee of Institutional Shares and was

R. L. Hylton Opens

American Growth Fund, Ltd.

also a member of the Investment

Advisory Group counselling

JAMAICA, N. Y. - Robert L. Hylton is engaging in a securities business from offices at 134-22, 160th Street.

STATE OF TRADE AND INDUSTRY Food Price Index, compiled by day, Aug. 16, was 3% below to 1% bility that the Federal Trade

Continued from page 5

Ford Motor Co., while still in production of 1961 models, began recalling workers at several plants which had phased out "old" model production earlier. Ford will continue 1961 output at Atlanta next week, but most other plants will be prepping 1962 models.

Ford's standard car plant at Dearborn completed its 1961 schedule Thursday, closing for six or seven weeks. Ward's said that the site will probably be converted for production of the company's new "middle-size" car. The Ford plant at St. Louis, out on strike since July 26, is still stocked with 1961 components, and will probably return to that production upon settlement of the dispute taking place there.

Of the week's output (13,946) 1962 models accounted for about 62%. Last week, the total of 21,029 passenger cars were all produced by Ford Motor Co., and were all of 1961 vintage.

General Motors built 7,116 cars this week (1962s), Studebaker- 11,687 cars or 3.6% above the cor-Packard, 1,500 (1962s) and Ford Motor Co., 5,330 (1961s).

Business Failures Edge Up in Week Ended Aug. 17

Commercial and industrial failures edged up to 366 in the week ended Aug. 17 from 343 in the preceding week, reported Dun & Bradstreet, Inc. Casualties exceeded considerably the 279 occurring in the similar week a year ago and 263 in 1959. As well, 45% more businesses succumbed than in prewar 1939 when the toll was 253

Failures with liabilities of \$100,-000 or more climbed to 39 from 28 in the previous week and 29 a year ago. Casualties with liabilities under \$100,000 also increased, turning up to 327 from 315 last week and 250 in 1960.

The week's increase was primarily concentrated in the Pacific States, where casualties climbed to 103 from 64, and in the East South Central where the toll mounted to 22 from 11. There was a mild upturn in the New England States. In contrast, five regions reported slight dips from last week - the Middle Atlantic toll was off to 87 from 99. In eight of the nine major regions, more businesses failed than in the similar week of last year.

Canadian failures rose to 35 from 30 in the preceding week and 43 in the corresponding week a year ago

Electric Output 5.4% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Aug. 19, was estimated at 15,665,000,000 kwh., according to the Edison Electric Institute. Output was 415,000,000 of the previous week's total of 16,080,000,000 kwh. and 799,000,000 kwh., or 5.4% above that of the comparable 1960

Lumber Shipments Were 5.9% Above 1960 Volume

Lumber production in the United States in the week ended Aug. 12, totaled 223,339,000 board feet compared with 221,214,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 232,189,000 board feet.

Compared with 1960 levels out2 put dropped 3.8%, shipments gained 5.9%, and orders rose 5.3%.

Following are the figures in thousands of board feet for the weeks indicated:

	Aug. 12 1961	Aug. 5 1961	Aug. 13
	_223.339	221,214	232.189
Shipments	_226,390	222.566	213.860
Orders	224,030	225,370	212,677

Freight Carloadings for Aug. 12 Week Up

Loading of revenue freight in the week ended Aug. 12 totaled 591,062 cars, the Association of American Railroads announced. This was an increase of 2,093 cars or four-tenths of one per cent above the preceding week.

The loadings represented a decrease of 8,959 cars or 1.5% below the corresponding week in 1960, but an increase of 46,493 cars or 8.5% above the corresponding week in 1959 (during the steel

There were 10,761 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Aug. 5, 1961 (which were included in that week's over-all total). This was a decrease of 116 cars or 1.1% below the corresponding week of 1960 but an increase of 3,030 cars or 39.2% above the 1959 week.

Cumulative piggyback loadings for the first 31 weeks of 1961 totaled 338,530 for an increase of responding period of 1960 and 97,132 cars or 40.2% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type traffic in the current week compared with 55 one year ago and 50 in the corresponding week in

Intercity Truck Tonnage for Week Ended Aug. 12 Was 4% Ahead of Last Year's Corresponding Week

Intercity truck tonnage in the week ended Aug. 12, was an even 4% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc., announced. Truck tonnage Continued from page 14 was 0.1% above that of the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Deparement of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for last week showed increased tonnage from a year ago at 21 localities. Thirteen points reflected tonnage decreases from the 1960 level. Truck terminals at five centers showed gains of more than 10%: these were Birmingham up 19.5, Charlotte 18.7, Dallas-Ft. Worth 14.8, Indianapolis 11.9, Louisville 11.7. Albuquerque, Pittsburgh, and Omaha each experienced year-toyear tonnage decreases of 5% or

Compared to the immediately preceding week, 20 metropolitan areas registered increased tonnage while 14 areas reported decreases.

Although the aggregate traffic handled has been depressed by seasonal influences the ATA indicated that the week ended Aug. 12 the contention that a criminal was relatively one of the most violation could be based upon the favorable this year on a year-toyear basis.

Wholesale Commodity Price Index Reaches New High for Third Consecutive Week

The general wholesale commodity price level climbed again for present legal theory of the Sherthe third consecutive week to man Act, under which the subreach a new peak for the year of stantive law is the same whether 274.46 on Aug. 21, reports Dun & the form of the case is criminal Bradstreet, Inc. Increases in or civil. Even limiting such cases prices quoted on grains, coffee, to civil proceedings would not and lambs were the only commodities anoted lower

The Daily Wholesale Commodity Price Index climbed to 274.46 (1930-32=100) on Monday, Aug. 21, compared with 274.01 in the preceding week and 267.37 on the same day a year ago.

Wholesale Food Price Index Stays

week earlier, and it was up 1.4% from the \$5.90 of the corresponding date a year ago.

Commodities quoted higher in beans, and potatoes. Lower in price were rye, oats, bellies, lard, butter, cocoa, eggs, steers and

The Dun & Bradstreet, Inc., Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Purchases Lag for Week Ended Aug. 16

Consumer buying lagged in the week ended Wednesday, Aug. 16, many areas. Total retail volume Purchases of women's apparel and year. automobiles continued slow for in home furnishings was uneven. the general lull in retailing.

prior week, but it was up from to spot estimates collected by Dun a year ago. On Aug. 22 it slipped & Bradstreet, Inc. Regional esti-0.2% to \$5.98 from the \$5.99 of a mates varied from comparable 1960 levels by the following percentages: East South Central -1 to +3; West South Central —2 to +2; New England, South Atlantic wholesale cost this week were and Mountain -3 to +1; Middle wheat, corn, beef, hams, cheese, Atlantic and Pacific -4 to 0; East North Central and West North Central —5 to —1.

Nationwide Department Store Sales Unchanged Over The 1969 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Aug. 12, 1961, were unchanged over the like period last year. For the week ended Aug. 5, an increase of 3% was reported. The fourweek period ended Aug. 12, 1961, sales advanced 2% over last year.

According to the Federal Reserve System, department store as high temperatures persisted in sales in New York City for the week ended Aug. 12, were 3% slipped slightly below last year. lower than the same period last In the preceding week ended Aug. 5, sales were 2% the second week, while activity higher than in the same period last year. For the four weeks end-Again, the sales of men's wear and ing Aug. 12, a 2% increase was linens moved ahead in contrast to reported above the 1960 period, while from Jan. 1 to Aug. 12, a 2% The total dollar volume in retail increase over sales in the compatrade in the week ended Wednes- rable period of 1960, was recorded.

of Chairman Dixon, who was general counsel for the Kefauver Committee, will seek to deal in some ways with the problem. The Federal Trade Commission Act's broad prohibition of "unfair methods of competition" was held a number of years ago in the Rigid Steel Conduit case to empower the Commission to issue a cease and desist order against a firm which consciously but independently follows the prices set by a conspiracy. The Commission has never acted to my knowledge, however, in a case where all that was involved was conscious parallelism, or "administered prices." If it does attempt to do so, it will encounter one very powerful obstacle which will almost certainly defeat it, and that is that it has no power to deal with the causes. And for Congress to give it the power would require it to face basic questions about our industrial structure which I think it is unwilling to face.

A related question is the relevance of antitrust policy to the problem of inflation. For the reasons already stated, the antitrust laws actually have very little to offer toward solution of the problem of long-run inflation, even if the debatable assumption is made that inflation is partly due to the presence of oligopoly, or "admin-

istered prices.'

Fair Trade and Robinson-Patman

This paper does not permit any substantial discussion of "new directions" in the important pricing areas of "Fair Trade" and price discrimination under the Robinson-Patman Act.

I have already referred to the inconsistencies between these policies and the Sherman Act's condemnation of price fixing. The new emphasis upon the latter should increase the incentive to remove these inconsistencies.

A nation which values intellectual integrity should not, and I hope will not, tolerate the pampering of some business groups through legalized and enforced restraints upon price competition, while other businesses are subjected to charges of moral turpitude and threats of jail sentences for seeking avoidance of price competition for themselves.

Consequently, I believe a serious blow has been dealt to the efforts to induce Congress to pass Federal Fair Trade law. Such a law is being sought in order to repair the damage done by the State Supreme Courts of 18 or 19 States where Fair Trade has been held unenforceable.

For similar reasons, I believe Administered Prices and Inflation that the Federal Trade Commission's effort, represented in the Supreme Court. The Robinson-

It does not seem likely that the "Administered prices" come very court system which is now from structures which typify con- engaged in rigorous criminal puntemporary American industry. In ishment of private businessmen sugar, hogs, rubber and tin ac- meet the second major objection fact, insofar as the term means for limiting price competition will counted for the week's rise. Steers to this doctrine-an objection to anything other than old-fashioned look with sympathy upon the docwhich I have never heard a really conspiracy, it is merely another trine manifested in the FTC's

> There will be "new directions" mean that much of our industry is the same. The courts will not in antitrust price policy, if these predictions are correct, only in the sense that we will go more clearly in one and the same direction. is not likely to do anything basic As far as I am concerned, this

Close to Prior Week

so, and certainly the courts have in our present state of relative

*An address by Prof. Rahl before the ignorance concerning really better fourth Economic Conference of the National Industrial Conference Board, New Standard Co York City.

New Antitrust Directions in Pricing Policy and the Law

argument was that if the Sherman Act is aimed at preserving price competition, these situations should be attacked as non-competitive by reshaping the "con-The term, "conscious parallelism," became the ingenious term of art which was offered to bridge the gap between the economic idea and the law.

This argument has had some effect in causing Judges to liberalize the use of circumstantial evidence in the proof of conspiracy. It has also certainly had the effect of causing much business alarm. It has proved in the long run, however, to have far more bark than bite, and there have been few, if any, Sherman Act where a conviction was based upon substituting consciously parallel, but independent action, for conspiracy.

On the contrary the courts in recent years have repeatedly balked at the idea. This they were bound to do for two very strong reasons. One is that violation of the Sherman Act is a crime, and fiction that independent business behavior was conspiratorial has been decidedly unpalatable to the courts. This objection could be met by limiting "conscious parallelism" cases to civil proceedings, but this is impossible under the adoption of the doctrine would would be in a situation of inescapable and perpetual violation. But we have no present means whereby the causes of this situawe thought it good policy to do

redesigning which would be required.

The "new direction" which I see for this matter is simply that the electrical cases have reemphasized the seriousness of actual conspiracy" doctrine to catch them. spiracy and the importance of combating it. And the increased possibility of serious criminal punishment and jail sentences will undoubtedly cause the courts to be even more demanding in requiring adequate proof of guilt. The dismissal by district Judges of the price fixing charges in the Salk Vaccine case in 1959, and the Arkansas Fuel Oil case in 1960, and the reversal by a Court of Appeals of the judgment of conviction in the Continental Baking case also last year are leading examples of a definite present-day judicial district of convictions based upon merely uniform action. We may expect more such decisions.

Renewed emphasis on real price fixing violations should also shift pending Anheuser-Busch case, to attention away from the phenom- make it legally hazardous to sell enon known as "administered for competitive reasons at differprices," popularized by the name ent prices in different markets given to hearings conducted by will meet real opposition in the the Kefauver Committee in steel. bread, automobiles, drugs and now Patman Act should apply to reelectrical equipment. While those gional price cutting done for predhearings have been important, this atory reasons. But it ought not phrase in itself has no real anti- to be permitted to stifle effective trust content or significance. Pres- price competition in local markets ence of "administered prices" in merely on the ground that the the economic sense does not dem- seller has higher prices in some onstrate either actual or probable other market. violation of the Sherman Act.

plausible answer. This is that way of talking about conscious Anheuser-Busch approach. parallelism, and the answer to it attempt to remove the basic structural causes. Moreover, Congress tion could be removed, even if about it either, nor should it do so would be the right direction. in our present state of relative change this week in the Wholesale to engage in the radical structural alternatives. There is the possi-

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

AMERICAN IRON AND STEEL INSTITUTE: Indicated steel operations (per cent capacity)Aug. 27	Latest Week 66.5	Week 65.3	Month Ago 63.6	Year Ago 54.5	AMERICAN PETROLEUM INSTITUTE-Month	Latest Month	Previous Month	Year Ago
Equivalent to— Steel ingots and castings (net tons)—————Aug. 27 AMERICAN PETROLEUM INSTITUTE:	1,944,000	1,900,000	1,858,000	1,552,000	of May: Total domestic production (barrels of 42 gal-	054 045		
Crude oil and condensate output—daily average (bbls. of 42 gallons each) Crude runs to stills—daily average (bbls.) Aug. 11	7,045,360	7,024,160	6,930,310	6,836,810	lons each) Domestic crude oil output (barrels) Natural gasoline output (barrels)	251,208,000 221,553,000 29,637,000	249,899,000 219,846,000 30,040,000	240,095,000 212,296,000 27,739,000
Kerosene output (bbls.)	8,437,000 30,061,000 2,595,000	8,466,000 30,626,000 2,737,000	8,167,000 29,558,000 2,184,000	8,335,000 30,015,000 2,823,000	Benzol output (barrels) Crude oil imports (barrels) Refined product imports (barrels)	18,000 33,566,000	13,000 26,969,000	30,571,000
Residual fuel oil output (bbls.)	13,726,000 5,469,000	14,037,000 6,207,000	12,922,000 5,757,000	13,314,000	Indicated consumption domestic and export	23.902,000 292,610,000	27,878,000 280.611.000	20,711,00
Finished and unfinished gasoline (bbls.) at	192,098,000	193,042,000	197,841,000	191,838,000	Increase all stocks (barrels)	16,066,000	24,135,000	16,307,00
Distillate fuel oil (bbls.) at	32,123,000 137,927,000	*32,300,000 132,875,000	30,284,000 121,380,000	31,224,000 140,647,000	AMERICAN RAILWAY CAR INSTITUTE— Month of July:			
ASSOCIATION OF AMERICAN RAILROADS:	50,005,000	*49,758,000	48,647,000	43,969,000	Orders for new freight cars New freight cars delivered	2,452 1,229	1,214 3,142	1,30
Revenue freight loaded (number of cars) Aug. 12 Revenue freight received from connections (no. of cars) Aug. 12	591,062 483,758	588,969 479,830	563,306 420,340	600,021 485,928	Backlog of cars on order and undelivered (end of month)	10,644	11,821	26,65
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					BANK DEBITS-BOARD OF GOVERNORS OF			
Total U. S. construction Aug. 17 Private construction Aug. 17 Public construction Aug. 17	253,200,000	\$557,300,000 240,000,000	\$509,500,000 202,500,000	\$455,100,000 238,900,000	of July (000's omitted)	\$247,657,000	\$272,083,000	\$223,539,00
Public construction Aug. 17 State and municipal Aug. 17 Federal Aug. 17	225,800,000 194,800,000 31,000,000	317,300,000 230,900,000 86,400,000	307,000,000 220,800,000 86,200,000	216,200,000 158,500,000 57,700,000	BANKERS' DOLLAR ACCEPTANCES OUT- STANDING — FEDERAL RESERVE BANK			
COAL OUTPUT (U. S. BUREAU OF MINES):		= 1. 1. 1. 1.			OF NEW YORK—As of July 31: Imports	\$414 951 000	\$395 245 000	\$400.062.00
Bituminous coal and lignite (tons)Aug. 12 Pennsylvania anthracite (tons)Aug. 12	8,220,000 318,000	7,925,000 347,000	7,440,000 347,000	8,080,000 343,000	Exports Domestic shipments	925,778,000		545,356.00 17,240.00
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE—100Aug. 12	131	132	123	131	Domestic warehouse credits Dollar exchange	163,051,000 45,229,000	182,502,000	58,641.00 166,200.00
EDISON ELECTRIC INSTITUTE: Electric output (in 000 kwh.)Aug. 19	15,665,000	16,080,000	15,829,000	14,866,000	Based on goods stored and shipped between foreign countries			373,469,00
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INCAug. 17	366	343	343	279	Total	2,300,837,0001	\$2,270,681,000\$	1,560,968,00
IRON AGE COMPOSITE PRICES: Finished steel (per lb.) Aug. 14	6.196c	6.196c	6.196c	6.196c	BUSINESS INCORPORATIONS (NEW) IN THE			
Pig iron (per gross ton) Aug. 14 Scrap steel (per gross ton) Aug. 14	\$66.44	\$66.44 \$37.83	\$66.44 \$36.67	\$66.41 \$32.50	INC.—Month of July	14,382	16,418	14,70
METAL PRICES (E. & M. J. QUOTATIONS):	007.00	901100	400101	4	BUSINESS INVENTORIES — DEPT. OF COM- MERCE NEW SERIES — Month of June			
Electrolytic copper— Domestic refinery atAug 16		30.600c 27.925c	30.600c 27.900c	32.600c 29.500c	(Millions of dollars): Manufacturing	\$53,600	*\$53,800	\$54.90
Export refinery at Aug. 16 Lead (New York) at Aug. 16 Lead (St. Louis) at Aug. 16	11.000c	11.000c 10.800c	11.000c 10.800c	12.000c 11.800c	Wholesale Retail	13,400 24,600		12,90 25,30
#Zinc (delivered) at Aug. 16 Zinc (East St. Louis) at Aug. 16	12.000c	12.000c 11.500c	12.000c 11.500c	13.500c 13.000c	Total	\$91,600	*\$92,200	\$93.10
Aluminum (primary pig, 99.5%) atAug. 16 Straits tin (New York) atAug. 16	26.000c	26.000c 117.500c	26.000c 116.250c	26.000c 101.875c	COMMERCIAL PAPER OUTSTANDING-FED-			
MOODY'S BOND PRICES DAILY AVERAGES:	86.56	86.02	88.02	89.25	As of July 31 (000's omitted)	\$1,534,000	\$1,460,000	\$1,213,00
U. S. Government Bonds Aug. 22 Average corporate Aug. 22 Aaa Aug. 22	85.59 89.64	85.72 89.64	86.11 90.06	87.72 92.64	COTTON GINNING (DEPT. OF COMMERCE): To Aug. 1, running bales	227,680		139.77
Aa Aug. 22 A Aug. 22	87.74 84.68	87.86 84.81	88.13 85.33	90.06 87.05	COTTON PRODUCTION (DEPT. OF COM-			23011
Baa Aug. 22 Railroad Group Aug. 22	80.93 83.15	80.93 83.28	81.17 83.40	81.66 84.94	MERCE): (500-lb. gross bales) as of Aug. 1	13,918,000	*****	14,272.04
Public Utilities Group Aug. 22 Industrials Group Aug. 22	86.38 87.45	86.51 87.45	87.45 87.45	88.95 89.23	Spinning spindles in place on July 29	19,605,000	19,697,000	19,956,00
MOODY'S BOND YIELD DAILY AVERAGES: U. S. Government BondsAug. 22	4.02	4.08	3.83	3.61	Spinning spindles active on July 29 Active spindle hours (000's omitted) July 29	17,279,000 6,798,000 339.9	17,297,000 10,263,000 410.5	17,529,00 7,211,00 360.
Average corporateAug. 22 AaaAug. 22	4.74 4.44	4.73	4.70 4.41	4.58 4.23	Active spindle hrs. for spindles in place July CROP PRODUCTION — CROP REPORTING	339.9	410.5	360.
Aug. 22 AAug. 22	4.58 4.81	4.57 4.80	4.55 4.76	4.41 4.63	BOARD U. S. DEPT. OF AGRICULTURE— Crop as of Aug. 1 (in thousands):			
BaaAug. 22 Railroad GroupAug. 22	5.11 4.93	5.11 4.92	5.09 4.91	5.05 4.79	Corn for grain (bushels) Wheat, all (bushels)	3,352,037 1,204,096	3,175,177 1,259,007	3,891,21 1,350,33
Public Utilities Group Aug. 22 Industrials Group Aug. 22	4.68 4.60	4.67	4.60 4.60	4.4 9 4.4 7	Winter (bushels)	1,057,540 146,556		1,103,89 246,44
MOODY'S COMMODITY INDEXAug. 22	376.4	377.1	371.6	363.0	Other spring (bushels)	17,906 128,650	16,502 126,321	34,10 212,33
NATIONAL PAPERBOARD ASSOCIATION: Orders received (tons)	333,959	371,056	274,741	303,937	Oats (bushels) Barley (bushels)	981,976 368,142	961,357 365,746	1,150.77 427,01
Percentage of activity Aug. 12	94	328,490 94 517,880	245,221 73 478,595	314,180 92 461,915	Rye (bushels)	25,867 19,354	26,187 19,350	32,49 30,40
Unfilled orders (tons) at end of periodAug. 12 OIL, PAINT AND DRUG REPORTER PRICE INDEX—	518,944				Rice (100 lb. bag) Sorghum grain (bushels) Cotton (bale)	56,148 454,564 13,918	54,445	54,61 608,23 14,25
1949 AVERAGE=100Aug. 18 ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEM-	114.46	114.40	113.91	109.62	Hay, all (ton)————————————————————————————————————	109,800 8,614		118,09
BERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS Transactions of specialists in stocks in which registered—					Hay, alfalfa (ton)Hay, clover and timothy (ton)	62,642 22,282	62,136 21,960	67,13 23,94
Total purchasesJuly 28 Short salesJuly 28	2,636,440 508,100	2,121,360 348,050	2,086,750 312,890	2,309,810 366,650	Hay, lespedeza (ton) Beans, dry edible (cleaned) (100 lb. bag)	3,564 17,858	3,511 17,126	3.79 17,91
Other sales July 28 Total sales July 28	2,280,610 2,788,710	1,763,520 2,111,570	1,690,170 2,003,060	2,080,600 2,447,250	Peas, dry field (cleaned) (100 lb. bag)	3,186 683,132	3,578	3,24 558,77
Other transactions initiated off the floor— Total purchases July 28	246,500	170,390	218,140	266,790 65,540	Peanuts (lb.) Potatoes: Winter (cwt)	1,688,800	4,354	1,784,11
Short sales July 28 Other sales July 28	25,200 253,100 278,300	6,300 216,470 222,770	14,100 244,530 258,630	258,500 324,040	Early spring (cwt) Late spring (cwt)	4,636 26,983	4,636 26,983	3,48 26,45
Total sales July 28 Other transactions initiated on the floor— Total purchases July 28	892,738	676,695	650,490	600,600	Early summer (cwt)Late summer (cwt)	15,050 35,151	14,495 34,962	14,63 34,55
Short sales July 28 Other sales July 28	153,140 957,094	97,760 587,867	112,850 788,489	97,750 491,205	Fall (cwt)	189,555 275,729		175,04 257,43
Total round-lot transactions for account of members—	1,110,234	285,627	701,339	588,955	Sweet potatoes (cwt) Tobacco (lb.)	14,687 1,986,925	14,693 1,978,451	15,63 1,943,48
Total purchases July 28	3,775,678 686,440	2,968,445 452,110	2,955,380 439,840	3,177,200 529,940	Sugarcane for sugar and seed (ton) Sugar beets (ton) Broomcorn (ton)	9,302 18,745 23	9,010 18,577	7,72 16,42
Other sales July 28 Total sales July 28	3,490,804 4,177,244	3,567,857 3,019,967	2,523,189 2,963,029	2,830,305 3,360,245	Hops (lb.) Apples, commercial crop (bushels)	36,675 125,115	37,335 122,770	45,97 108,51
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD- LOT DEALERS AND SPECIALISTS ON N. Y. STOCK					Peaches (bushels) Pears (bushels)	74,989 26,455	75,688 25,938	74.31 25,62
EXCHANGE — SECURITIES EXCHANGE COMMISSION Odd-lot sales by dealers (customers' purchases)—†		1,000			Grapes (ton)	3,123 236	3,123 228	2,99
Number of sharesJuly 28 Dollar valueJuly 28	1,942,780 \$99,854,436	1,461,819 \$76,187,306	1,464,249 \$75,586,252	1,634,549 \$81,247,404	Apricots (ton)	193 224,200	203	187,50
Odd-lot purchases by dealers (customers' sales)— Number of orders—customers total salesJuly 28	1,650,227 12,302	1,359,996 18,093	1,370,685 10,647	1,293,471 18,365	FACTORY EARNINGS AND HOURS—WEEKLY			
Customers' short salesJuly 28 Customers' other salesJuly 28	1,637,925 \$83,931,142	1,341,903 \$69,674,708	1,360,038 \$68,634,032	1,275,106 \$62,881,602	AVERAGE ESTIMATE — U. S. DEPT. OF LABOR — Month of July:			
Dollar value July 28 Round-lot sales by dealers— Number of shares—Total sales July 28	436,910	408,800	417,060	335,580	Weekly earnings— All manufacturing	\$94.00	\$94.24	691.1
Short sales July 28	436,910	408,800	417,060	335,580	Durable goods Nondurable goods Hours	101.40 84.32	*101.91 *83.92	97.7 82.3
Other sales July 28 Round-lot purchases by dealers—Number of shares July 28	730,760	510,300	484,430	670,450	All manufacturing	40.0 40.4	40.1 •40.6	39. 39.
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS					Durable goods Nondurable goods Hourly earnings	39.4	*39.4	39.
FOR ACCOUNT OF MEMBERS (SHARES): Total round-fut sales— July 28	878.090	586,370	548,120	723,430	All manufacturing	\$2.35 2.51	\$2.35 2.51	\$2.2 2.4
Short sales	17,225,830 18,103,920	13,347,410 13,933,781	13,540,480 14,088,600	13,590,720 14,314,150	Nondurable goods	2.14	•2.13	2.0
WHOLESALE PRICES, NEW SERIES - U. S. DEPT. OF	Selenationa		21,200,000		INDUSTRIAL PRODUCTION—BOARD OF GOV- ERNORS OF THE FEDERAL RESERVE			
LABOR — (1947-49=100):	110.0	*118.8	118.5	119.3	SYSTEM—1947-49 = 100—Month of July: Seasonally adjusted	112	110	11
All commodities Aug. 15 Farm products Aug. 15 Processed foods Aug. 15	118.9 88.2 108.2	*118.8 *87.5 *107.7	118.5 86.2 107.0	80.6 107.8	Unadjusted	106	*111	10
Meats Aug. 15	95.1	93.2	91.6	96.4	TREASURY MARKET TRANSACTIONS IN DI- RECT AND GUARANTEED SECURITIES			
All commodities other than farm and foodsAug. 15	127.4	*127.5	127.5	128.3	OF U. S. A Month of July:			

Securities Now in Registration

* INDICATES ADDITIONS SINCE PREVIOUS ISSUE • ITEMS REVISED

NOTE - Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

A. & E. Plastik Pak Co., Inc.

Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). \$7.50. Proceeds - For equipment and working capital. Office-652 Mateo Street, Los Angeles. Underwriters-Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

Abbey Automation Systems, Inc. (8/29) June 6, 1961 filed 100,000 common shares. Price — \$3. Business-The design, manufacture and sale of automation equipment for industry. Proceeds-For new facilities, sales program, demonstration laboratory and working capital. Office-37-05 48th Avenue, Long Island City, N. Y. Underwriter-John Joshua & Co., Inc., New York.

Abby Vending Manufacturing Corp. July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The manufacture of coin operated vending machines. Proceeds—For moving expenses, an acquisition and working capital. Office-79 Clifton Place, Brooklyn, N. Y. Underwriter Wright & Co., Inc., 135 Broadway, New York.

Accesso Corp. Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par \$10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. Price-\$15 per unit. Business-The company is engaged in the design, manufacture and sale of fluorescent lighting systems. acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. Proceeds-For the repayment of loans and general corporate purposes. Office-3425 Bagley Avenue, Seattle, Wash. Underwriter - Ralph B. Leonard & Sons, Inc., New York City (managing).

Acro Electronic Products Co. July 17, 1961 filed 100,000 class A common shares. Price -\$4. Business-The manufacture of transformers for electronic and electrical equipment. Proceeds-For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. Office-369 Shurs Lane, Philadelphia. Underwriter-Roth & Co., Inc., Philadelphia.

A-Drive Auto Leasing System, Inc. (9/11) Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. Price-\$10 per share. Business—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. Proceeds—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. Office-1616 Northern Boulevard, Manhasset, N. Y. Underwriter-Hill, Darlington & Grimm, New York City

Admiral Plastics Corp. July 27, 1961 filed 340,000 common shares, of which 20,000 shares are to be offered by the company and 320,000 shares by the stockholders. Price-By amendment. Business—The manufacture of plastic houseware products. Proceeds—For a new warehouse, repayment of debt and other corporate purposes. Office — 557 Wortman Ave., Brooklyn, N. Y. Underwriter—Shearson, Hammill & Co., New York (managing).

 Advanced Electronics Corp. May 31, 1961 ("Reg. A") 150,000 class A shares (par 10 cents). Price—\$2. Business—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. Proceeds—For research and development, equipment, repayment of loans and working capital. Office—2 Commercial St., Hicksville, N. Y. Underwriter — Edward Hindley & Co., New York City.

Advanced Investment Management Corp. July 11, 1961 ("Reg. A") 100,000 common shares (par 25 cents). Price-\$3. Proceeds-For purchase of furniture, reserves and working capital. Office - No. 15 Village Shopping Center, Little Rock, Ark. Underwriter-Affiliated Underwriters, Inc., 1321 Lincoln Avenue, Little

Advanced Scientific Instruments, Inc. (9/5) May 19, 1961 filed 875,000 shares of common stock. Price -\$1.15 per share. Business-The company was formed in March, 1961 to engage in the development, manufacture, sale and lease of electronic, electro-mechanical and electro-optical equipment. Proceeds — For equipment, developmental work and working capital. Office—1208 Title Insurance Building, Minneapolis, Minn. Under-writer—Naftalin & Co., Minneapolis.

Aero-Dynamics Corp. Aug. 7, 1961 filed 100,000 common shares. Price-\$5. Business - The importation and distribution of Italian marble and mosaic tiles. Proceeds - For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office-250 Goffle Road, Hawthorne, N. J. Underwriters—Cambridge Securities, Inc. and Edward Lewis Co., Inc.,

Aero Fidelity Acceptance Corp. July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). **Price**—\$3. **Proceeds**—For repayment of loans, purchase of notes and equipment. Office - 185 Walton Avenue, N. W., Atlanta, Ga. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Aero Space Electronics, Inc. July 17, 1961 ("Reg. A") 80,000 capital shares (par 10 cents). Price-\$3. Proceeds-For repayment of debt and working capital. Office—2036 Broadway, Santa Monica, Calif. Underwriter-Hamilton Waters & Co., Inc., Hemp-

Airbalance, Inc. July 17, 1961 ("Reg. A") 60,000 common shares (par five cents). Price — \$5. Office — 2046 E. Lehigh Ave., Philadelphia. Underwriter—A. Sussel Co., 1033 Chestnut St., Philadelphia.

• Air Master Corp. (9/5)
May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price-To be supplied by amendment. Business - The manufacture and sale of aluminum storm windows and doors, and other aluminum products. Proceeds-For working capital, and other corporate purposes. Office-20th Street, and Allegheny Avenue, Philadelphia, Pa. Underwriter-Francis I. du Pont & Co., New York City (managing).

Airtronics International Corp. of Florida June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and

89,000 shares by stockholders. Price-By amendment, Business - The manufacture of electronic, mechanical and components. Proceeds-For repayment of loans, exand electro-mechanical rocket and missile system parts pansion and working capital. Office-6900 West Road 84. Fort Lauderdale, Fla. Underwriters — Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc. (managing). Offering—Expected in October.

Aksman (L. J.) & Co., Inc.
July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3. Business—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. Proceeds-For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. Office—1425 Utica Avenue, Brooklyn 3, N. Y. Underwriters—Rothenberg, Heller & Co., Inc. and Carroll Co., New York.

Alaska Honolulu Co. July 24, 1961 filed 1,600,000 common shares and oil leases on 400,000 acres to be offered in 625 units each consisting of 640 acres and 2,560 shares. Price-\$2,560 per unit. Business-The exploration and development of oil and gas properties in Alaska. Proceeds-For general corporate purposes. Office-120 S. Third St., Las Vegas, Nev. Underwriter-None.

All Star World Wide, Inc. July 7, 1961 filed \$250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. Price—For debentures, at par; for stock, \$5. Business— The operation of bowling centers. Proceeds-For expansion and general corporate purposes. Office — 100 W. Tenth St., Wilmington, Del. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

 Allied Stores Corp. (10/9) Aug. 4, 1961 filed \$27,006,200 of convertible subordinated debentures due Oct. 1, 1981 to be offered for subscription by stockholders on the basis of \$100 of debentures for each ten shares held. Price-By amendment. Business-The operation of department stores. Proceeds-For general corporate purposes. Office-401 Fifth Ave., New York. Underwriter-Lehman Brothers, New York

(managing) Allstate Bowling Centers, Inc. May 19, 1961 filed 300,000 shares of capital stock, of which 200,000 shares are being sold for the account of the company and 100,000 shares for All-State Proper-

ties, Inc., parent. The stock is being offered for sub-scription by holders of All-State Properties on the basis of one share for each nine shares held of record Aug. 11, with rights to expire Aug. 28. Price-\$10. Business—The construction and operation of bowling centers in several states. Proceeds-For expansion and working caiptal. Office—30 Verbena Avenue, Floral Park, N. Y. Underwriter—Bear, Stearns & Co., New York City.

Almar Rainwear Corp. (8/28) April 28, 1961 filed 120,000 shares of common stock. Price — To be supplied by amendment. Business — The manufacture and sale of plastic film raincoats and related items for men, women and children. Proceeds-For inventory, taxes, accrued sales commissions and working capital. Office—Washington, Ga. Underwriter -D. H. Blair & Co., New York City (managing).

 Alpine Geophysical Associates, Inc. July 28, 1961 filed 150,000 common shares. Price - By amendment. Business - The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. Proceeds-For repayment of debt and general corporate purposes.

Ainslie Corp. Stock All Sold

First Weber Securities Corp., New York City, reports that its recent offering of 75,000 common shares HOUSTON, Tex .- The firm name State Street Securities Corp., an of Ainslie Corp., at \$4 per share has been all sold and the books closed. Net proceeds will be used by the company for an increase in plant facilities; retirement of debt; purchase of equipment; preparation of test range facilities and working capital.

The company with headquarand manufacture of micro-wave Street, N. W. antennas, reflectors, ground sup-port and handling equipment, wave-guide components and associated equipment. Its products CONNEAUT, Ohio - Walston & are sold primarily to companies Co., Inc. has opened a branch dealers and dealer banks only. in the electronics, microwave, office at 2451/2 Main Street under communications and radar detec- the management of Reuben P. by Standard & Poor's, the bonds tion and identification industries Markijohn. Mr. Markijohn was are general obligations, backed for use in systems involved in formerly with Ball, Burge & by the full faith and credit of the

munications, missile guidance, \$100,000,000 tion, tactical military communica- Calif. School Aid

Now Beebe & Lavalle

In Securities Business

WASHINGTON, D. C. - James C. Burkett is continuing the investters at Braintree, Mass., is en- ment business of Guardian Ingaged in the design, development vestment Corporation, 1925 K of 100.005 for the assorted cou-

New Walston Branch

microwave relay, scatter com- Kraus and Perry T. Blaine & Co. State of California.

Bonds Offered

of Beebe, Guthrie & Lavalle, First City National Bank Building, has been changed to Beebe & Lavalle. 1963-87, with coupons of 5, $3\frac{3}{4}$ and $3\frac{1}{2}$ %, priced to yield from $2\frac{3}{12}$ % for the 1963 maturities out to 3.90% for those maturing in 1987.

State Street Securities won the issue at competitive sale on a bid pons, setting net interest cost at 3.7544%.

Drake & Co. has been retained as agent to run the books and is confirming bonds to recognized

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_Common

Office-55 Oak St., Norwood, N. J. Underwriter-S. D. Fuller & Co., New York (managing). Offering-Expected in early October.

Amcrete Corp.

May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price-\$4 per share. Business - The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. Proceeds—For building test pools; advertising, inventory and working capital. Office—102 Mamaroneck Avenue, Mamaroneck, N. Y. Underwriter—Alexandria Investments & Securities, Inc., Washington, D. C.

Amerel Mining Co. Ltd. July 31, 1961 filed 400,000 common shares. Price-50 cents. Business-The company is engaged in exploration, development and mining. Proceeds-For diamond drilling, construction, exploration and general corporate expenses. Office-80 Richmond St., W., Toronto. Underwriter-E. A. Manning, Ltd., Toronto.

Amerford International Corp.

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$3.50. **Business**—International air and ocean freight forwarding. Proceeds-For expansion, advertising and working capital. Office—80 Wall St., New York. Underwriters — V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, Inc., New York.

American Automatic Vending Corp.

Aug. 15, 1961 filed 270,000 common shares. Price-By amendment. Business-The sale of merchandise through vending machines. Proceeds-For the repayment of debt and other corporate purposes. Office - 7501 Carnegie Ave., Cleveland, O. Underwriter - McDonald & Co., Cleveland.

* American Data Machines, Inc.

Aug. 17, 1961 filed 150,000 common shares. Price-\$4.50. Business-The manufacture of data processing equipment. Proceeds-For repayment of loans, new products, advertising, engineering, new machine tools, working capital and general corporate purposes. Office-7 Commercial St., Hicksville, N. Y. Underwriters-Amos Treat & Co., Inc. and Golkin Bomback & Co., New York (managing).

 American Electronic Laboratories, Inc. (9/11) May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. Price -To be supplied by amendment. Business-The company is engaged in research and development in the field of electronic communication equipment. Proceeds-For construction, new equipment, and other corporate purposes. Office-121 North Seventh Street, Philadelphia. Underwriter-Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa.

American Finance Co., Inc.

April 21, 1961 filed \$500,000 of 6% convertible sub-ordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. Price-\$500 per unit. Business-The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. Proceeds-For the retirement of debentures, and capital funds. Office - 1472 Broadway, New York City. Underwriter-Lomasney, Loving & Co., New York City. Offering-Expected in September.

* American Heritage Publishing Co., Inc.

Aug. 18, 1961 filed 140,000 common shares, of which 75,000 shares are to be offered by the company and 65,000 shares by stockholders. Price—By amendment. Business-Magazine and book publishing. Proceeds-For repayment of loans and general corporate purposes. Office-551 Fifth Ave., New York. Underwriter-White, Weld & Co., New York (managing). Offering—Expected in late October.

American Micro Devices, Inc.

Aug. 2, 1961 filed 1,500,000 class A common shares. Price — \$1.15. Business—The manufacture of electronic components. Proceeds—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis.

American Mortgage Investment Corp.

April 29, 1960 filed \$1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing \$900 of bonds and 783 shares of stock. Price-\$1,800 per unit. Proceeds -To be used principally to originate mortgage loan; and carry them until market conditions are favorable for disposition. Office — 210 Center St., Little Rock, Ark. Underwriter-Amico, Inc.

American Packing Co.
June 29, 1961 filed 150,000 common shares. Price—\$4.50. Business-The processing and sale of canned salmon. Proceeds—For general corporate purposes. Office—303 N. E. Northlake Way, Seattle. Underwriter—Joseph Nadler & Co., Inc., New York (managing).

* American Precision Industries, Inc.

Aug. 18, 1961 filed 158,000 common shares, of which 115,000 shares are to be offered by the company and 38,000 shares by stockholders. Price-By amendment. Business-The machining and fabrication of components and assemblies from steel, aluminum and certain alloys and other metals. Proceeds—For a new plant and equipment, research and development, repayment of debt and working capital. Office—3901 Union Rd., Buffalo. Underwriter-Eastman Dillon, Union Securities & Co., New York (managing).

American Realty Trust

July 25, 1961 filed 500,000 shares of beneficial interests. Price-\$10. Business-A real estate investment company. Office-608 Thirteenth St., N. W., Washington, D. C. Underwriter-Stifel, Nicolaus & Co., Inc., St. Louis.

American Recreation Centers, Inc.

June 26, 1961 filed \$1,250,000 of series A convertible subordinated debentures due 1973. Price-By amendment. Business-The operation of seven bowling centers. Proceeds-For repayment of loans, working capital and general corporate purposes. Office — 1721 Eastern Ave., Sacramento, Calif. Underwriter—York & Co., San Francisco (managing).

American Self Service Stores, Inc.

Aug. 11, 1961 filed 100,000 common shares, of which 50,-000 shares are to be offered by the company and 50,000 shares by stockholders. Price-By amendment. Business The operation of self-service shoe stores. Proceeds-For repayment of loans and expansion. Office-1908 Washington Avenue, St. Louis. Underwriter-Scherck, Richter Co., St. Louis.

American Univend Corp. (8/25)

May 29, 1961 filed 100,000 common shares. Price - By amendment. Business-The leasing of vending machines and the sale of merchandise for distribution therein. Proceeds-For the repayment of debt, purchase of additional machines, and other corporate purposes. Office-120 E. 56th St., New York. Underwriter-Robert A. Martin Associates, Inc., New York.

Amerline Corp. (8/28)

July 3, 1961 filed 150,000 outstanding class A common shares. Price-By amendment. Business-The manufacture of components and products for sale to manufacturers of magnetic tape, electronic computers, data processing machines, etc. Proceeds—For selling stockholders. Office-2727 W. Chicago Ave., Chicago. Underwriter-Dean Witter & Co., San Francisco (managing).

Jan. 17, 1961 filed 88,739 shares of common stock (par \$1). Price-\$3 per share. Business-Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. Proceeds-For general corporate purposes, including \$170,000 for construction and \$12,000 for debt reduction. Office-Equitable Building, Baltimore, Md. Underwriter—Karen Securities Corp., New York City. Note—This statement is expected to be refiled.

• Amphicar Corp. of America

June 15, 1961 filed 100,000 common shares. Price—\$5. Business-The manufacture of amphibious automobiles. Proceeds-To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. Office-660 Madison Ave., New York. Underwriter-J. J. Krieger & Co., New York.

Anderson New England Capital Corp.

July 21, 1961 filed 400,000 common shares. Price - By amendment. Business - A small business investment company. Proceeds-For investment. Office-150 Causeway Street, Boston. Underwriter-Putnam & Co., Hartford, Conn. (managing).

Animal Insurance Co. of America

June 29, 1961 filed 40,000 common shares. Price—\$15.50. Business - The insuring of animals, primarily race horses, trotters and pacers. Proceeds-For expansion and general corporate purposes. Office-92 Liberty St., New York. Underwriter—Bernard M. Kahn & Co., Inc., New York (managing).

• Anodyne, Inc. (8/28)

June 20, 1961 filed \$625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of \$100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. Price — \$100 per unit. Proceeds — For expansion and working capital. Office—1270 N. W. 165th St., North Miami Beach, Fla. Underwriters-Ross, Lyon & Co., Inc., and Globus, Inc., New York.

Ansul Chemical Co. July 24, 1961 ("Reg. A") 12,000 common shares (par \$1). **Price**—By amendment. **Proceeds**—For working capital. Address-Marinette, Wis. Underwriter-Paine, Webber,

Jackson & Curtis, Milwaukee.

• Apache Realty Corp. (9/11)
March 31, 1961 filed 1,000 units in the First Apache Realty Program. Price-\$5,000 per unit. Business-The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. Proceeds — For investment. Office — 523 Marquette Ave., Minneapolis, Minn. Underwriter—Blunt Ellis & Simmons, Chicago (managing).

• Applied Research, Inc. (8/28)
June 23, 1961 filed 120,000 common shares, of which 60,-000 shares are to be offered by the company and 60,000 shares by stockholders. Price—\$6.50. Business—Manufacture of devices used in connection with space and earth communications, radio frequency analysis, missiles

and satellites and radar and telemetry systems. Proceeds —For leasehold improvements, equipment and general corporate purposes. Office—76 S. Bayles Avenue, Port Washington, N. Y. Underwriters—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, New York.

Aqua-Lectric, Inc. June 19, 1961 filed 1,000,000 common shares. Price-\$1.15. Business—The marketing of an electric hot water

Continued on page 30

NEW ISSUE CALENDAR August 25 (Friday)

_Debentures _Common Fischbach & Moore, Inc. Common U. S. Fiberglass Products Co. Common (Hauser, Murdock, Rippey & Co.) \$400,000

U. S. Home & Development Corp. Capital (Auchincloss, Parker & Redpath) 300,000 shares

Debentures Vinco Corp.

(S. D. Fuller & Co.) \$2,000,000 August 28 (Monday) Almar Rainwear Corp. Common (D. H. Blair & Co.) 120,000 shares

Amerline Corp. Common (Dean Witter & Co.) 150,000 shares Anodyne, Inc. (Ross, Lyon & Co., Inc. and Globus, Inc.) \$6,250,000 _Units Applied Research Inc. Common (Cruttenden, Podesta & Co.) \$780,000

Automated Merchandising Capital Corp. Common (Elair & Co. Inc.) \$4,000,000 Casa Electronics Corp. Common

(Adams & Co.) \$200,000

Central Investment Corp. of Denver. Common (Boettcher & Co.; Bosworth, Sullivan & Co., Inc. and Peters, Writer & Christensen, Inc.) \$2,250,000 G-W Ameritronics, Inc. (Fraser & Co.) \$320,000 __Units Industrial Engravers, Inc.

(A. J. Frederick Co., Inc.) \$240,000 Common Industrial Gauge & Instrument Co., Inc.__Common (R. F. Dowd & Co. Inc.) \$225,000 Missile-Tronics Corp.
(Hopkins, Calamari & Co., Inc.) \$227,850 Common Taylor-Country Estate Associates Int. | State Associates Int. | \$2,420,000 _Interests T-Bowl International, Inc. (Peter Morgan & Co.) 400,000 shares Terry Industries, Inc. (Greenfield & Co., Inc.) 1,728,337 shares _Common Tinsley Laboratories, Inc. (Troster, Singer & Co.) \$300,000 ___Capital

Tresco, Inc. _____ ___Common (Amos Treat & Co. Inc.) \$500,000 August 29 (Tuesday) Abbey Automation Systems, Inc. (John Joshua & Co., Inc.) \$300,000
Blackman Merchandising Corp.
(Midland Securities Co., Inc.) 72,500 shares _Common

Trans-World Financial Co. (William R. Staats & Co.) 185,000 shares

August 30 (Wednesday) Irvan Ferromagnetics Corp. ______ Common (Thomas Jay Winston & Co., Inc.) \$200,000

Jolyn Electronic Manufacturing Corp. Common (Kerns, Bennett & Co. Inc.) \$193,500

Minichrome Inc. __Common _Units __Common

September 1 (Friday) Automated Gift Plan, Inc. (J. Laurence & Co. Inc.) \$300,000 ._Common Mohawk Insurance Co.____Common Reeves Broadcasting & Development Corp. (Laird & Co. Corp.) \$2,500,000 __Debentures __Debentures Templeton Damroth Corp. (Hecker & Co.) \$445,000 Thoroughbred Enterprises, Inc._____ (Sandkuhl & Co. Inc.) \$340,000 _Common Trinity Funding Corp. (Trinity Securities Corp.) \$1.500.000 ---Common Washington Engineering Services Co., Inc._Common (No underwriting) 375,000 shares

September 4 (Monday) Rabin-Winters Corp. (H. Hentz & Co.) 180,000 shares _Common

September 5 (Tuesday) Advanced Scientific Instruments, Inc.___Common (Naftalin & Co.) \$1,006,250 Air Master Corp._____Common

(Francis I. du Pont & Co.) 200,000 shares

Bid D Chemical Co._____Class A

(No underwriting) \$300,000 _Common __Common Cosnat Record Distributing Corp.____Common Dadan, Inc. ______Comp (McDonald, Anderson, Peterson & Co., Inc.) \$184,000 _Common _Common Electro-Miniatures Corp. (Burnham & Co.) \$300,000 Federal Tool & Manufacturing Co. (Jamieson & Co.) \$600,000

Foamland U. S. A., Inc. (Fialkov & Co.) \$750,000

Frontier Airlines, Inc. (No underwriting) 250,000 shares Common Common

----Common Ihnen (Edward H.) & Son, Inc.____Common (Amos Treat & Co. Inc.) \$375,000 __Common

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Continued from page 29
Israel-America Hotels, LtdCommon
Kirk (C. F.) Laboratories, Inc
Mark Truck Rental Corp
Micro-Lectric, Inc
Nitrogen Oil Well Service CoCommon
Old Empire, Inc
Patent Resources, IncCommon
(Darius Inc.; N. A. Hart & Co. and E. J. Roberts & Co. Inc.) 150,000 shares
Riverview ASC, Inc. Common
Roanwell Corp. Common (Paine, Webber, Jackson & Curtis) 150,000 shares
Roberts Lumber Co
Royal School Laboratories, Inc. Common (B. N. Rubin & Co., Inc.) \$850,000
S. O. S. Photo-Cine-Optics, Inc
Spectron, Inc. Common (Hampstead Investing Corp.) \$381,875
Strouse, IncDebentures
Supronics CorpCommon (Amos Treat & Co. Inc.; Standard Securities Corp.
and Bruno-Lenchner Inc.) 90,000 shares TelePrompTer CorpDebentures
Templeton Damroth Corp
(Hecker & Co.) \$445.000
Texas Capital Corp
Tri Metal Works, Inc
(Offering to stockholders—underwritten by R. L. Scheinman & Co. and Blaha & Co., Inc.) 68,000 shares
Vic Tanny Enterprises, Inc
XTRA, IncCommon & Co.) 182,570 shares
York Research Corp
September 6 (Wednesday)
Gordon (I.) Realty Corp. Common
(George D. B. Bonbright & Co.) \$1,600,000 Intercontinental Dynamics Corp
Vacu-Dry Co
(Wilson, Johnson & Higgins) 400,000 shares
September 7 (Thursday) Cosmodyne CorpCommon
Greene (M. J.) Co Common (Hess, Grant & Remington Inc.) \$300,000
Plasticon CorpCommon
Rodney Metals, IncCommon
T. V. Development CorpCommon
(Kesselman & Co. and Brand, Grumet & Seigel Inc.) \$500,000
September 8 (Friday) Lewis & Clark Marina, IncCommon
Lewis (Tillie) Foods, Inc
Western Union Telegraph Co
(Offering to stockholders—underwritten by Kuhn, Loeb & Co. and Lehman Brothers) 1,075,791 shares
September 11 (Monday)
A-Drive Auto Leasing System, Inc
American Electronic Laboratories, Inc. Common (Offering to stockholders—underwritten by Suplee, Yeatman, Mosley Co. Inc.) 10,632 shares
Apache Realty CorpUnits
Arizona Color Film Processing
Laboratories, Inc
Cle-Ware Industries, Inc
First Small Business Investment Co.
of TampaCommon

Flato Realty FundShares
Gilbert Youth Research, IncCommon
Gloray Knitting Mills, IncCommon
Holly Stores, IncCommon
Income Planning CorpUnits (Espy & Wanderer Inc.) \$200,000
Lytton Financial Corp
300,000 shares
Missouri Fidelity Life Insurance CoCommon (A. C. Allyn & Co.) 200,000 shares
National Semiconductor Corp. Capital Stock (Lee Higginson Corp.) 75,000 shares
Southern Growth Industries, IncCommon (Capital Securities Corp.) \$600,000
T. F. H. Publications, Inc
Techno-Vending CorpCommon
Techno-Vending Corp. Common (International Services Corp.) \$300,000 Telephones, Inc. Common (Hayden, Stone & Co. and McCormick & Co.) 250,000 shares Thermo-Chem Corp. Common
Thermo-Chem CorpCommon (Best & Garey Co., Inc.) \$585,000 Triangle Instrument CoCommon
(Armstrong & Co. Inc.) \$300,000 U. S. Plastic & Chemical Corp
(Adams & Peck) 125,000 shares
Universal Health, IncCommon (Cortlandt Investing Corp.) \$300,000
Wetterau Foods, IncCommon (G. H. Walker & Co., Inc.) 100,000 shares
September 12 (Tuesday)
Rocky Mountain Natural Gas Co., IncUnits (Merrill Lynch, Pierce, Fenner & Smith Inc.) 75,000 units
Universal Moulded Fiber Glass CorpCommon (A. G. Edwards & Sons) \$2,750,000
September 13 (Wednesday) Creative Playthings, IncCommon (A. G. Becker & Co., Inc. and Semple, Jacobs & Co., Inc.)
100,000 shares King's Department Stores, IncCommon
(Shearson, Hammill & Co.) 500,000 shares
Photo-Animation, IncCommon (First Philadelphia Corp.) \$187,500
September 15 (Friday)
Rudd-Melikian, IncCommon
Walter Sign Corp Common
September 18 (Monday)
Badger Northland, IncCommon
Commonwealth Theatres of Puerto Rico, Inc. Com. (J. R. Willistan & Beane) \$1,000,000
Consolidated Production CorpCommon (Shearson, Hammill & Co.) 200,000 shares
Custom Shell Homes, IncCommon
Douglas Microwave Co., Inc
Drug & Food Capital CorpCommon
(A. C. Allyn & Co. and Westhelmer & Co.) \$5,000 0 10
Empire Life Insurance Co. of AmericaCapital
Harn CorpCommon (J. R. Williston and Beane) 150,000 shares
Houston CorpCommon (Offering to stockholders—no underwriting) 583,334 shares
(Oriering to stockholders—no underwriting) 583,334 shares
Lincoln Fund, IncCommon
Lincoln Fund, Inc

United Investors CorpCiass A
Wainrite Stores, IncCommon (Omega Securities Corp.) \$300,000
Contember 20 (Wednesday)
General Forms, IncCommon
September 22 (Friday) Gyrodyne Co. of America, IncUnits (Harriman K.p.ey & C.J.) 30,000 units
September 25 (Monday) Bargain Town, U. S. A., Inc. Common (Schweickart & Co.) \$1,800,000 Common
Cellomatic Battery CorpCommon
Cellomatic Battery CorpCommon (Armstrong & Co. Inc.) \$250,000 Micro-Precision CorpCommon (Manufacturers Securities Corp.) \$300,000
(Manufacturers Securities Corp.) \$300,000 Common
Midwest Technical Development CorpCommon (Lee Higginson Corp. and Piper, Jaffra, & Hopwood)
Reher Simmons Research Inc. Capital (McLaughlin, Kaulmann & Co.) \$900,000
Semicon, IncCommon
Stratton Corp. — Debentures (Ccoley & Co.) \$60,000 Valley Title & Trust Co. — Common
(Louis R. Dreyling & Co.) \$600,000
Pacific Gas & Electric CoBonds
(Bids to be received) \$60,000,000
September 29 (Friday) Mite Corp. Capital (Kidder, Peabody & Co. and Charles W. Scranton & Co.) 325,000 shares
(Kidder, Peabody & Co. and Charles W. Scranton & Co.) 325,000 shares
October 2 (Monday) Public Service Co. of ColoradoBonds
Say-Mor Oil CorpCommon (Armstrong & Co Inc.) \$230,000
Shasta Minerals & Chemical CoCommon
October 3 (Tuesday) Gulf States Utilities CoDebentures
October 9 (Monday) Allied Stores CorpDebentures (Offering to stockholders—underwritten by Lehman Bros.) \$27.006.200
Cansas Power & Light CoDebentures (Bids to be received) \$13,000,000
October 13 (Friday) Columbia Research GroupPreferred (No underwriting) \$5,000,000
October 16 (Monday)
Hogan Faximile CorpCommon (William R. Staats & Co.) 300,000 shares
Keller Corp. Debentures (Casper Rogers & Co., Inc.) \$1,200,000
Swingline, Inc. Common (Paine, Webber, Jackson & Curtis) 200,000 shares
October 17 (Tuesday) Public Service Electric & Gas CoDebentures (Bids 11 a.m. EDST) \$50,000,000
October 18 (Wednesday) Georgia Power CoPreferred (Bids 11 a. m. EDST) \$7,000,000.
Georgia Power CoBonds
(Bids noon EDST) \$10,000,000
Guy's Foods, Inc
Guy's Foods, Inc
October 25 (Wednesday) New England Power CoBonds (Bids to be received) \$20,000,000
Rochester Gas & Electric CorpBonds (Bids to be received) \$15,000,000
December 5 (Tuesday) Virginia Electric & Power Co

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heating system. Proceeds—For inventory, salaries, advertising and promotion, and working capital. Office—1608 First National Bank Building, Minneapolis. Underwriter—M. H. Bishop & Co., Minneapolis. Offering—Expected in late September.

Arizona Color Film Processing Laboratories, Inc.

March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. Price—22 cents per share. Business—The processing of black and white and color film. Proceeds—To repay loans and for working capital. Office—2 North 30th Street, Phoenix, Ariz. Underwriter—None.

Arian's Dept. Stores, Inc.
July 5, 1961 filed 300,000 common shares of which 60,000 shares are to be offered by the company and 240,000 shares by the stockholders. Price—By amendment. Business—The operation of 12 self-service discount stores. Proceeds—For working capital and expansion. Office—350 Fifth Ave., New York. Underwriter—Eastman Dillon, Union Securities & Co., New York (managing).

Armour & Co. (8/25)

Aug. 3, 1961 filed \$32,500,000 of convertible subordinated debentures due 1983 to be offered for subscription by stockholders. Price — By amendment. Business — Meat packing. Proceeds—For plant expansion and general corporate purposes. Office—401 N. Wabash Ave., Chicago. Underwriter—Wertheim & Co., New York (managing).

Astronetic Research, Inc.
July 11, 1961 ("Reg. A") 54,000 class A common shares (par \$1). Price — \$5. Proceeds — For purchase and installation of equipment, and working capital. Office—45 Spring Street, Nashua, N. H. Underwriter — Schirmer, Atherton & Co., Boston, Mass.

Atmotron, Inc.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For general corporate purposes. Office—5209 Hanson Court, Minneapolis. Underwriter—J. P. Penn & Co., Inc., Minneapolis.

Audiographic Inc.
Feb. 27, 1961 filed 150,000 shares of common stock. Price—\$4 per share. Business—The manufacture and sale of fire and burglar warning systems. Proceeds—To establish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, add to inventory, and for working

capital. Office—Bellemore, L. I., N. Y. Underwriter—First Broad Street Corp., New York City (managing).

(Bids to be received) \$15,000,000

Automated Building Components, Inc.
July 28, 1961 filed 100,000 common shares. Price — By amendment. Business—The manufacture of metal conductor plates used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. Proceeds—For repayment of loans, expansion and working capital. Office—7525 N. W. 37th Avenue, Miami. Underwriters — Winslow, Cohu & Stetson and Laird, Bissell & Meeds, New York City (managing).

Automated Gift Plan, Inc. (9/1)
June 12, 1961 ("Reg. A") 100,000 common shares (par 10c). Price—\$3. Business—The manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. Proceeds—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. Office—80 Park Ave., New York. Underwriter—J. Laurence & Co., Inc., New York.

Automated Merchandising Capital Corp. (8/28-9/1)

May 24, 1961 filed 200,000 shares of common stock. Price —\$20. Business—A closed-end non-diversified manage-

ment investment company formed to provide financial assistance to concerns active in the vending industry. Proceeds—For investment, Office—10 East 40th St., New York City. Underwriter-Blair & Co., Inc., New York City (managing).

Automated Prints, Inc.

July 24, 1961 ("Reg. A") 85,000 common shares (par 10 cents). **Price**—\$3.50. **Business**—The silk screen printing of designs on textile fabrics. **Proceeds**—For equipment, a new plant, repayment of debt and working capital. Office—201 S. Hoskins Rd., Charlotte, N. C. Underwriter -Street & Co., Inc., New York.

Automatic Data Processing, Inc.

July 19, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,-000 shares by stockholders. Price-\$3. Business-Electronic data processing. Proceeds-For construction and working capital. Office-92 Highway 46, East Paterson, N. J. Underwriter-Golkin, Bomback & Co., New York (managing).

Avemco Finance Corp.

Aug. 15, 1961 filed 300,000 common shares. Price-By amendment. Business-The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. Proceeds-For the repayment of debt. Office-8645 Colesville, Rd., Silver Spring, Md. Underwriters—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

Babcock Electronics Corp.

Aug. 11, 1961 filed 300,000 capital shares, of which 50,-000 shares are to be offered by the company and 250,000 shares by stockholders. Price-By amendment. Business -The manufacture of electronic units for remote control of aircraft. Proceeds - For repayment of loans, working capital and general corporate purposes. Office —1640 Monrovia Avenue, Costa Mesa, Calif. Under-writers—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

Badger Northland, Inc. (9/18)

June 16, 1961 filed 100,000 common shares, of which 68,-000 shares are to be offered by the company and 32,000 shares by stockholders. Price-By amendment. Business-The manufacture of farm equipment. Proceeds-For a plant, purchase of land, retirement of preferred stock and working capital. Address-Kaukauna, Wis. Underwriter—Loewi & Co., Inc., Milwaukee (managing).

Bankers Dispatch Corp.

July 20, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Business**—The transportation of commercial paper, documents and non-negotiable instruments for banks. Proceeds-For the selling stockholder. Office-4652 S. Kedzie Avenue, Chicago. Underwriter-E. F. Hutton & Co., Inc., New York.

Bargain Town, U. S. A., Inc. (9/25) July 27, 1961 filed 300,000 common shares, of which 200,000 shares are to be offered by the company and 100,000 shares by the stockholders. Price-\$6. Business-The operation of discount department stores. Proceeds-For the repayment of debt, and working capital. Office -Rockaway Turnpike, North Lawrence, L. I., N. Y. Un-

derwriter-Schweickart & Co., New York (managing). Beam-Matic Hospital Supply, Inc. July 21, 1961 filed 100,000 common shares. Price-\$3. Busines:- The manufacture of hospital equipment and supplies. Proceeds-For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. Office —25-11 49th Street, Long Island City, N. Y. Underwriter

-First Weber Securities Corp., New York. • Bid D Chemical Co. (9/5)

May 17, 1961 (letter of notification) 60,000 shares of class a common stock (par \$1). Price — \$5 per share. Office—1708 W. Main St., Oklahoma City, Okla. Underwriter-To be named.

Black & Decker Manufacturing Corp.

Aug. 11, 1961 filed 120,000 outstanding common shares. Price-By amendment. Business-The manufacture of power tools. Proceeds-For the selling stockholder. Office—Towson, Md. Underwriter—Eastman Dillon, Union Securities & Co., New York (managing).

Blackman Merchandising Corp. (8/29) June 8, 1961 filed 72,500 class A common shares. Price -By amendment. Business-The wholesale distribution of soft goods lines and artificial flowers, Proceeds—For expansion; inventory and working capital. Office—1401 Fairfax Trafficway, Kansas City, Kan. Underwriter—Midland Securities Co., Inc., Kansas City, Mo.

Bloch Brothers Tcbacco Co. July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50). **Price**—By amendment. **Proceeds**—For the selling stock-

holders. Office-4000 Water St., Wheeling, W. Va. Underwriter-Fulton, Reid & Co., Inc., Cleveland. Bloomfield Building Industries, Inc.

June 29, 1961 filed 300,000 class A common shares. Price -\$5. Proceeds-For advances to a subsidiary, purchase of additional land and the construction of buildings thereon. Office — 3355 Poplar Ave., Memphis, Tenn. Underwriter-Lieberbaum & Co., New York.

Blue List Publishing Co., Inc.
June 26, 1961 filed 160,000 outstanding common shares. Price-By amendment. Business-General printing. Proceeds-For the selling stockholders. Office-130 Cedar Street, New York. Underwriter-White, Weld & Co., Inc., New York (managing).

Boulder Lake Corp.

June 28, 1961 filed 315,000 common shares. Price-\$2.50. Business—The acquisition, exploration and development of mineral properties. Proceeds—For construction of roads and buildings, purchase of machinery and exploration of properties. Address-P. O. Box 214, Twin Bridges.

Mont. Underwriter-Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

* Bowl-Tronics, Inc.

Aug. 16, 1961 ("Reg. A") 100,000 common shares. Price -\$2.30. Business-The manufacture of automatic electronic scorecards for bowling alleys and other electronic entertainment devices. Proceeds—For working capital and expansion. Office—1319 F St., N. W., Wasnington, D. C. Underwriters-Fund Securities, Inc., Staten Island, N. Y. (managing) and Seaborn Co., Washington, D. C.

Bowling Internazionale, Ltd. June 30, 1961 filed 200,000 common shares. Price-\$5. Proceeds—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion and working capital. Office-80 Wall St., New York. Underwriters-V. S. Wickett & Co., and Thomas, Wil-

Bradiey Industries, Inc.

liam, & Lee, Inc., New York City.

July 25, 1961 filed 70,000 common shares (par \$1). Price -\$5. Business-The manufacture of plastic boxes and containers. Proceeds-For repayment of loans, purchase of additional molds, acquisition of a new plant, working capital and general corporate purposes. Office—1650 N. Damen Ave., Chicago, Underwriter-D. E. Liederman & Co., Inc., New York.

Brinktun, Inc. July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). Price—\$2.25. Proceeds—Repayment of loans and working capital. Office-710 N. Fourth Street, Minneapolis. Underwriter - McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

British-American Construction & Materials Ltd. July 7, 1961 filed \$3,500,000 (U.S.) debentures, 6% sinking fund series due 1981 (with warrants) and 300,-000 outstanding common shares. Price-By amendment. Business-A construction company. Proceeds-Debentures-For repayment of debt, construction, acquisition and working capital. Stock-For the selling stockholders, Office-Jarvis Ave., at Andrews St., Winnipeg, Manitoba, Canada. Underwriter-P. W. Brooks & Co., Inc., New York (managing).

Aug. 7, 1961 filed 40,000 common shares. Price — By amendment. Business — The operation of department stores in Southern California. Proceeds - For general corporate purposes. Office — Pine at Broadway, Long Beach, Calif. Underwriter — Lester, Ryons & Co., Los Angeles.

* Bundy Electronics Corp.

Aug. 22, 1961 filed 100,000 common shares. Price-\$4. Business-The design, development and manufacture of electronic components for space and earth communications. Proceeds—For moving expenses, repayment of debt and working capital. Office—171 Fabyan Place, Newark. Underwriters - Bruno-Lenchner, Inc., Pittsburgh and Harry Odzer Co., New York (co-managing).

* Burns (William J.) International Detective

Agency, Inc. Aug. 22, 1961 filed 175,000 class A common shares. Price —By amendment. Proceeds—For the selling stockholders. Office—101 Park Ave., New York. Underwriter— Smith, Barney & Co., Inc., New York (managing).

* Business & Product Promotions, Inc. Aug. 15, 1961 ("Reg. A") 80,000 common shares (par \$1). Price-\$2.50. Proceeds-For working capital. Address-P. O. Box A, East Tincup, Colo. Underwriter-None.

Caldor, Inc. July 27, 1961 filed 120,000 common shares. Price-\$5. Business-The operation of retail discount stores. Proceeds-For expansion and working capital. Office-69 Jefferson St., Stamford, Conn. Underwriter-Ira Haupt & Co., New York (managing).

California Growth Capital Inc. July 18, 1961 filed 660,000 common shares. Price - By amendment, Business-A small business investment company. Proceeds-For investment. Office-111 Sutter St., San Francisco, Calif. Underwriters-H. M. Byllesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

★ California Real Estate Investors Aug. 17, 1961 filed 1,000,000 shares of beneficial interest. Price-\$10. Business-Real estate investment. Office-12014 Wilshire Blvd., Los Angeles. Underwriter-Harnack, Gardner & Co., (same address) (managing).

• Cal-Val Research & Development Corp. (8/29) June 16, 1961 filed 200,000 common shares. Price-By amendment. Business-Engineering research and development in ground support equipment in the missile, rocket and space fields. Proceeds-To repay loans and for general corporate purposes. Office-19907 Ventura Boulevard, Woodland Hills, Calif. Underwriter-Auchincloss, Parker & Redpath, Washington, D. C.

Capital Income Fund, Inc. July 3, 1961 filed 30,000 common shares. Price - By amendment. Business-A mutual fund. Proceeds - For investment. Office - 900 Market St., Wilmington, Del. Underwriter-Capital Management Corp., Miami (managing).

Carboline Co. Aug. 4, 1961 filed 100,000 common shares, of which 35,000 shares are to be offered by the company and 65,000 shares by stockholders. Price-\$5. Business-The manufacture of synthetic linings and coatings for industrial use. Proceeds — For repayment of loans, research and working capital. Office—32 Hanley Industrial Court, St. Louis. Underwriter - Reinholdt & Gardner, St. Louis

Card Key Systems, Inc.

(managing)

July 28, 1961 ("Reg. A") 60,000 common shares (no par). Price — \$5. Proceeds — For research and development, advertising equipment and working capital. Office-923 S. San Fernando Boulevard, Burbank, Calif. Underwriter-Rutner, Jackson & Gray, Inc., Los Angeles.

Caressa, Inc.

Aug. 2, 1961 filed 150,000 common shares, of which 75,-000 will be sold by the company and 75,000 by a stockholder. Price-By amendment. Business-The manufacture of women's shoes. Proceeds-The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. Office-5300 N. W. 37th Ave., Miami, Fla. Underwriter — Shearson, Hammill & Co., New York (managing).

★ Carold Realty Co., Inc. Aug. 14, 1961 ("Reg. A") 200-7% subordinated notes (\$1,000 face amount) due Oct. 1, 1976 with the right to acquire 50,000 common shares (par one cent). Price-For notes, 100%; for stock, \$2. Business—General real estate. Proceeds—For working capital. Office—1100 Bergen Street, Brooklyn 16, N. Y. Underwriter—None.

• Casa Electronics Corp. (8/28-9/1) July 19, 1961 ("Reg. A") 80,000 common shares (par 50 cents). Price—\$2.50. Proceeds—For test equipment, reduction of mortgage and working capital. Office-2233 Barry Ave., West Los Angeles, Calif. Underwriter-

Adams & Co., Los Angeles (managing). * Casavan Industries, Inc.

Aug. 21, 1961 filed 275,000 capital shares. Price amendment. Business-The production and importation of marble and vitreous mosaic products used in the building construction field. Proceeds - For equipment, inventory, leasehold improvements, construction, repayment of loans and general corporate purposes. Office-250 Vreeland Avenue, Paterson, N. J. Underwriter-To be named.

• Cellomatic Battery Corp. (9/25)

June 20, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price - \$2.50. Proceeds - For repayment of debt, inventory and working capital. Office-300 Delaware Avenue, Archbald, Pa. Underwriter-Armstrong & Co., Inc., New York.

Central Investment Corp. of Denver (8/28) June 19, 1961 filed 600,000 common shares. Price-\$3.75. Business-A small business investment company. Proceeds-For investment. Office-611 Central Bank Building, Denver. Underwriters-Boettcher & Co.; Bosworth, Sullivan & Co., Inc., and Peters, Writer & Christensen, Inc., Denver.

Challenger Products, Inc.

June 30, 1961 filed 125,000 common shares. Price-\$5. Proceeds-For the repayment of debt, purchase of new equipment, and working capital. Office-2934 Smallman St., Pittsburgh. Pa. Underwriter-Pistell. Crowe. Inc., New York. Note-Pistell, Crowe, Inc., is no longer underwriting this issue. New underwriter to be named.

Charles Jacquin et Cie, Inc. July 7, 1961 filed 140,000 common shares of which 20,000 shares are to be offered by the company and 120,000 shares by stockholders. Price—By amendment. Business -The production of cordials, vodka, rum, brandy, etc. Proceeds-For working capital, sales promotion and advertising. Office-2633 Trenton Ave., Philadelphia. Underwriter-Stroud & Co., Inc., Philadelphia (managing). Offering-Expected in early September.

Charter Industries, Inc. June 22, 1961 filed 100,000 common shares. Price-\$4. Business-The manufacture of molded plastic products. Proceeds-For starting up production and plant expansion. Office-388 Codwise Ave., New Brunswick, N. J. - Standard Securities Corp., New York Underwriter (managing).

Chermil Capital Corp. July 25, 1961 filed 250,000 common shares. Price - \$2. Business-A closed-end investment company. Proceeds-For investment. Office—32 Broadway, New York. Underwriter-Edward H. Stern & Co., Inc., New York.

Church Builders, Inc. Feb. 6, 1961 filed 50,000 shares of common stock, series 2. Price-\$5.50 per share. Business-A closed-end diversified investment company of the management type. Proceeds—For investment. Office—501 Bailey Avenue, Fort Worth, Texas. Distributor—Associates Management, Inc., Fort Worth, Texas.

Churchill Stereo Corp. July 17, 1961 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. Price—\$3.60 per unit. Business— The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. Proceeds - For expansion, repayment of loans, working capital and other corporate purposes. Office-200 E. 98th Street, Brooklyn, N. Y. Underwriter -Lieberbaum & Co., New York (managing)

Clarise Sportswear Co., Inc. July 21, 1961 filed 125,000 common shares, of which 75,-000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$5. Business—The manufacture of women's sportswear. Proceeds-For working capital. Office-141 W. 36th Street, New York. Underwriters-Alessandrini & Co., Inc. and Hardy & Hardy, New York (co-managing)

Cle-Ware Industries, Inc. (9/11)
July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. Price-By amendment. Business—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. Proceeds—For repayment of loans, working capital and other corporate purposes. Office—10604 St. Clair Ave., Cleveland. Underwriter-Westheimer & Co., Cincinnati.

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Clute (Francis H.) & Son, Inc.
July 3, 1961 filed 1,000,000 common shares. Price—\$1.50.
Business — The manufacture of farm and industrial equipment. Proceeds—For materials and inventory, research and development and working capital. Office—1303 Elm St., Rocky Ford, Colo. Underwriter — Stone, Altman & Co., Inc., Denver.

July 27, 1961 filed 150,000 common shares, of which 128,500 are to be offered for public sale by the company and 21,500 by the underwriter. Price—\$5. Business—The sale of fruits, candies, preserves and novelties. Proceeds—For expansion and other corporate purposes. Office—400 N. E. 79th St., Miami, Fla. Underwriter — Jay W. Kaufmann & Co., New York.

Coburn Credit Co., Inc.
July 18, 1961 filed \$1,500,000 of convertible subordinated debentures due 1976. Price—At par. Business—A consumer finance company. Proceeds—For general corporate purposes. Office — 53 N. Park Ave., Rockville Center, N. Y. Underwriters—Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc., New York.

Color Reproductions, Inc.
May 10, 1961 (letter of notification) 950 units of \$95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of \$100 of debentures and 50 shares of common stock. Price—\$287.50 per unit. Business—The company makes color photographs and reproductions for churches, institutions, seminaries and schools. Proceeds—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. Office—202 E. 44th St., New York, N. Y. Underwriter—William, David & Motti, Inc., New York, N. Y.

Columbia Research Group (10/13)
June 20, 1961 filed 5,000,000 preferred shares (par one cent). Price—\$1. Business—The production of religious and educational phonograph records. Proceeds—For general corporate purposes. Office—3600 Market Street, Salt Lake City, Utah. Underwriter—None.

Columbian Bronze Corp.

July 13, 1961 filed 150,000 common shares. Price—\$5

Business—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. Proceeds—For repayment of loans and expansion. Office—216 N. Main St., Freeport, N. Y. Underwriter—Lomasney, Loving & Co., New York (managing).

• Commonwealth Theatres of Puerto Rico, Inc. (9/18)

July 28, 1961 filed 100,000 common shares, of which 50,-000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$10. Business—The operation of a chain of theatres in Puerto Rico. Proceeds—For construction of a drive-in movie theatre, building renovations and general corporate purposes. Address—Santurce, Puerto Rico. Underwriter—J. R. Williston & Beane, New York (managing).

Computer Instruments Corp. (9/5-8)
July 13, 1961 filed 160,000 outstanding common shares.
Price—By amendment. Business—The manufacture of precision potentiometers, electronic components and measuring instruments. Proceeds—For the selling stockholders. Office—92 Madison Ave., Hempstead, N. Y. Underwriter—Hayden, Stone & Co., New York (managing).

Aug. 15, 1961 ("Reg. A") 5,680 class A common shares (par \$30). Price—\$50. Proceeds—For advertising, furniture, equipment and inventory. Office—158 N. Virginia Street, Reno. Underwriter—None.

Consolidated Marine Industries, Inc.
June 20, 1961 filed 200,000 common shares. Price—\$6.
Business—A holding company for concerns engaged in the pleasure-boat industry. Proceeds—For working capital and other corporate purposes. Office—809 Cameron Street, Alexandria, Va. Underwriter—Alexandria Investments & Securities, Inc., Washington, D. C.

May 26, 1961 filed 200,000 shares of common stock. Price—To be supplied by amendment. Business—The company, which plans to change its name to Consolidated Production Corp., buys and manages fractional interests in producing oil and gas properties. Proceeds—For investment, and working capital. Office—14 North Robinson, Oklahoma City, Okla. Underwriter—Shearson, Hammill & Co., New York City (managing). Note—This company formerly was named Cador Production Corp.

Consumers Utilities Corp.

July 27, 1961 filed 302,000 outstanding common shares to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. Price—By amendment. Business—The acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. Proceeds — For the selling stockholder (Mobilife Corp.) Office—Sarasota, Fla. Underwriter—Golkin, Bomback & Co., New York City.

Continental Fund Distributors, Inc.

April 13, 1961 filed 296,000 common shares and 296,000 warrants for the purchase of stock of Continental Management Corp., advisor to Continental Growth Fund, Inc. The securities will be offered for public sale in units of one common share and one warrant. Price—\$1 per unit. Business—The company is the sponsor of Continental Growth Fund, Inc. Proceeds—For expansion. Office—366 Fifth Ave., New York City. Underwriter—Niagara Investors Corp., New York.

Continental Leasing Corp. (9/5)

June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). Price—\$3. Proceeds—For purchase of new automobiles, advertising and promotion, and working capital. Office—527 Broad St., Sewickley, Pa. Underwriter — H. B. Crandall Co. and Cambridge Securities, Inc., New York.

Continental-Pacific Industries, Inc.
July 21, 1961 ("Reg. A") 300,000 common shares (par 10 cents). Price—\$1. Proceeds—For repayment of loans,

tooling, a patent purchase, salaries, inventory and working capital, Office—1299 Bay Shore Blvd., Burlingame, Calif. Underwriter—Amos C. Sudler & Co., Denver.

Continental Real Estate Investment Trust

Aug. 3, 1961 filled 300,000 shares of beneficial interest.

Aug. 3, 1961 filed 300,000 shares of beneficial interest. Price—\$10. Business—Real estate. Proceeds—For investment. Office—530 St. Paul Place, Baltimore. Underwriter—F. Baruch & Co., Inc., Washington, D. C. (managing).

Continental Vending Machine Corp.

Aug. 11, 1961 filed \$5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of \$100 of debentures for each 80 common shares held. Price—By amendment. Business—The manufacturing of vending machines. Proceeds—For repayment of loans and working capital. Office—956 Brush Hollow Road, Westbury, L. I., N. Y. Underwriter—Hardy & Co., New York (managing).

Control Data Corp.

Aug. 10, 1961 filed 300,000 common shares. Price—By amendment. Business—The manufacture of mechanical equipment. Proceeds—For repayment of loans, working caiptal and general corporate purposes. Office — 501 Park Avenue, Minneapolis. Underwriter—Dean Witter & Co., San Francisco (managing).

Control Lease Systems, Inc.
July 21, 1961 ("Reg. A") 260,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For equipment, research and development and capital expenditures. Office—3386 Brownlow Ave., St. Louis Park, Minn. Underwriters—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis.

Cook (L. L.)

Aug. 4, 1961 filed 49,736 common shares, of which 9,600 shares are to be offered by the company and 40,136 shares by stockholders. Price—By amendment. Business—The processing of photographic film, wholesaling of photographic supplies and the manufacture of post cards. Proceeds—For general corporate purposes. Office—1830 N. 16th St., Milwaukee. Underwriter—Milwaukee Co., Milwaukee (managing).

Cooperative Grange League Federation Exchange, Inc.
July 3, 1961 filed \$250,000 of 4% subordinated debentures due 1966, 10,000 shares of 4% cumulative preferred stock (par \$100) and 250,000 common shares. Price—For debentures, at par; for preferred, \$100 and for common, \$5. Business—An incorporated agricultural cooperative association. Proceeds—For redemption of securities of two subsidiaries and working capital. Office—Terrace Hill, Ithaca, N. Y. Underwriter—None.

Aug. 4, 1961 filed 150,000 common shares (par \$5). Price—By amendment. Business—The manufacture of specialized glass products. Proceeds—For the selling stockholders. Address—Corning, N. Y. Underwriters—Harriman Ripley & Co. and Lazard Freres & Co., New York (co-managing).

Cosmetic Chemicals Corp.

June 28, 1961 filed 100,000 common shares (par one cent).

Price — \$4. Business — The distribution of cosmetics.

Proceeds—For advertising, sales expenses, inventory, research, working capital and other corporate purposes.

Office—5 E. 52nd Street, New York. Underwriter—Nance-Keith Corp., New York.

Cosmo Book Distributing Co.

July 6, 1961 filed 110,000 common shares. Price — \$3.

Business—The wholesale distribution of books. Proceeds

—For repayment of a loan, inventory, working capital and general corporate purposes. Office — 1130 Madison Ave., Elizabeth, N. J. Underwriter—Frank Karasik & Co., Inc., New York.

Cosmodyne Corp. (9/7)
June 12, 1961 filed 100,000 common shares. Price—By amendment. Business — The manufacture of equipment for the storage of super-cold liquids and gases. Proceeds—For manufacture of new equipment, repayment of loans; general corporate purposes and working capital. Office—3232 W. El Segundo Blvd., Hawthorne, Calif. Underwriter—Dominick & Dominick, Inc., New York.

May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and distribution of phonograph records. Proceeds—For the repayment of debt, and working capital. Office—315 W. 47th St., New York. Underwriter—Amos Treat & Co., New York City (managing).

Cott Bottling Co., Inc.
June 29, 1961 filed 335,000 common shares of which 170,000 shares are to be offered by the company and 165,000 shares by stockholders. Price—By amendment. Business—The manufacture of carbonated beverages. Proceeds—To repay loans, increase inventory and for expansion. Office—177 Granite Street, Manchester, N. H. Underwriter—R. W. Pressprich & Co., New York.

Cramer Electronics, Inc.
July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. Price—By amendment.

Business—The distribution of electronic components and equipment. Proceeds—For repayment of loans, inventory and working capital. Office—811 Boylston St., Boston. Underwriter—Carl M. Loeb, Rhoades & Co., New York (managing).

Un

Crank Drug Co.
July 3, 1961 filed 130,000 common shares. Price — By amendment. Business — The operation of retail drug stores. Proceeds—For repayment of loans, and for expansion. Office—1947 E. Meadowmere St., Springfield, Mo. Underwriter — Reinholdt & Gardner, St. Louis (managing).

Creative Playthings, Inc. (9/13)
July 28, 1961 filed 100,000 common shares. Price — By amendment. Business—The manufacture of equipment and material for children. Proceeds—For research and development, expansion, repayment of loans and working capital. Address—Cranbury, N. J. Underwriter—A. G. Becker & Co., Inc., Chicago and Semple, Jacobs & Co., Inc., St. Louis.

Cromwell Business Machines, Inc.

Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). Price—\$3. Proceeds—For repayment of loans, machinery, leasehold improvements, advertising and working capital. Office—7451 Coldwater Canyon Avenue, North Hollywood, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

Crossway Motor Hotels, Inc.
Aug. 4, 1961 filed 70,000 common shares. Price—\$5. Business—The operation of a motor hotel chain. Proceeds—For acquisition, expansion and the repayment of debt. Office—54 Tarrytown Rd., White Plains, N. Y. Underwriter—Candee & Co., New York.

• Custom Shell Homes, Inc. (9/18)
May 8, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). Price—\$2.50 per share.
Proceeds—To erect sample homes, repay a loan, and for expansion and working capital. Office—412 W. Saratoga St., Baltimore, Md. Underwriter—T. J. McDonald & Co., Washington, D. C.

Dadan, Inc. (9/5)
June 29, 1961 ("Reg. A") 160,000 common shares (par 50 cents). Price—\$1.15. Business—The manufacture of games. Proceeds—For repayment of loans, development of new products and working capital. Office—209 Wilder Bldg., Rochester 14, N. Y. Underwriter—McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

Dale Systems, Inc.
Aug. 9, 1961 filed 100,000 common shares. Price—\$3.50.
Business—A shopping service which checks the efficiency of retail sales employees. Proceeds—For expansion and general corporate purposes. Office—1790 Broadway, New York. Underwriter—Theodore Arrin & Co., Inc., New York.

Data Management, Inc.
July 17, 1961 ("Reg. A") 260,869 class A common shares (par 10 cents). Price—\$1.15. Proceeds—For purchase of equipment, investments, and working capital. Office—1608 First National Bank Building, Minneapolis. Underwriter—M. H. Bishop & Co., Minneapolis.

Datom Industries, Inc.
July 17, 1961 filed 112,500 common shares. Price—\$4.
Business—The manufacture of electrical products such as transistorized and conventional tube radios, portable phonographs and educational kits. Proceeds—For working capital and other corporate purposes. Office—350 Scotland Road, Orange, N. J. Underwriter—Robert L. Ferman & Co., Miami, Fla. (managing).

July 5, 1961 ("Reg. A") 100,000 common shares (par five cents). Price — \$3. Proceeds — For repayment of loans; inventory; equipment and working capital. Office — 4250 Adams Ave., Philadelphia. Underwriter—R. P. & R. A. Miller & Co., Inc., Philadelphia.

Delta Capital Corp.

Aug. 9, 1961 filed 500,000 common shares. Price — By amendment. Business — A small business investment company. Proceeds—For investment. Office—610 National Bank of Commerce Building, New Orleans. Underwriters—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

★ Delta Sonics, Inc.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par \$1). Price—\$3, Business—The manufacture of ultrasonic and electronic systems and components. Proceeds—For plant and equipment; material and inventory; repayment of a loan and working capital. Office—12918 Gerise Ave., Hawthorne, Calif. Underwriter—Hass, Lidster & Co., Los Angeles.

Diversified Wire & Steel Corp. of America
July 17, 1961 filed 100,000 class A common shares. Price
—\$4. Business—The manufacture of cold drawn steel
wire, furniture springs and related products. Proceeds—
for repayment of debt, acquisition and improvement of
property, equipment, and working capital. Office—3525
E. 16th St., Los Angeles. Underwriter—V. K. Osborne &
Sons, Inc., Beverly Hills, Calif. (managing).

Dollar Mutual Fund, Inc.

April 25, 1961 filed 100,000,000 shares of capital stock.

Price—\$1 per share. Business—A diversified mutual fund. Proceeds—For investment. Office—736 Midland Bank Bldg., Minneapolis, Minn. Underwriter—Fund Distributors, Inc.

June 29, 1961 filed 100,000 common shares. Price—By amendment. Business—The manufacture of microwave components, test equipment and sub-systems. Proceeds—For repayment of loans, research and development, advertising, purchase of equipment and other corporate purposes. Office—252 E. 3rd Street, Mount Vernon, N. Y.

Underwriters-J. R. Williston & Beane and Hill, Darlington & Grimm, New York (managing).

Dressen-Barnes Electronics Corp.

Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 shares are to be offered by the company and 25,000 shares by stockholders. Price-By amendment. Business The manufacture of power supplies and automatic label dispensers. Proceeds-For repayment of loans, and working capital. Office-250 N. Vinedo Street, Pasadena, Calif. Underwriter—Lester, Ryons & Co., Los

Drug & Food Capital Corp. (9/18-22)

July 14, 1961 filed 500,000 common shares. Price-\$10. Business-A small business investment company. Proceeds- For investment. Office-30 N. La Salle St., Chicago. Underwriters-A. C. Allyn & Co., Chicago & Westheimer & Co., Cincinnati (managing).

Duke Shopping Center Limited Partnership June 28, 1961 filed 269 units of limited partnerships interests. Price - \$1,000. Business - The acquisition and construction of a shopping center at Alexandria, Va. Proceeds-For the purchase of the above property. Office-729-15th Street, N. W., Washington, D. C. Underwriter-Investor Service Securities, Inc., Washington,

Dunlap & Associates, Inc.

June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. Price-By amendment, Business-The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. Proceeds-For purchase of building sites, expansion, and working capital. Office-429 Atlantic St., Stamford, Conn. Underwriter-Dominick & Dominick, New York. Offering-Expected in early September.

Dynamic Cable Systems

July 31, 1961 ("Reg. A") 50,000 common shares (par 50 cents). Price—\$6. Proceeds—For repayment of debt-equipment and working capital. Office—8421 Telfair Avenue, Sun Valley, Calif. Underwriter—Raymond Moore & Co., Los Angeles.

Dynamic Gear Co., Inc.

June 29, 1961 filed 125,000 common shares of which 100,-000 shares are to be offered by the company and 25,000 shares by a stockholder. Price - \$3. Business - Manufacture of precision instrument gears. Proceeds-For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. Office—175 Dixon Avenue, Amityville, N. Y. Underwriters—Flomenhaf, Seidler & Co., Inc. and Lomasney, Loving & Co., New York (managing).

Dynamic Toy, Inc.

June 30, 1961 ("Reg. A") 81,000 common shares (par 10 cents). Price-\$3. Business - The manufacture of toys. Proceeds-For advertising, development of new products expansion and working capital. Address-109 Ainslie St., Brooklyn, N. Y. Underwriter-Hancock Securities Corp., New York. Offering-Expected in September.

• Eastern Air Devices, Inc. (8/25) June 16, 1961 filed 150,000 common shares to be offered for subscription by common stockholders of Crescent Petroleum Corp., parent, on the basis of one share for each 10 Crescent shares held of record about Aug. 25 with rights to expire Sept. 15. Price-\$5. Business-The manufacture of power and servo components. Proceeds-For the purchase of equipment and other corporate purposes. Office-385 Central Avenue, Dover, N. H. Underwriters-Sutro Bros & Co. and Gregory & Sons, New

York (managing). * Eastern Properties Improvement Corp.

Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. Price-For debentures, \$1,000; for stock, \$10. Business-General real estate. Proceeds-For the acquisition and development of real properties, repayment of debt and engineering, etc. Office—10 E. 40th St., New York. Underwriter—Wood-cock, Moyer, Fricke & French, Inc., Philadelphia (man-

Eckerd Drugs of Florida, Inc.

90,000 common shares and \$900,000 of 7% convertible subordinated debentures due 1971 to be offered in units consisting of one common share and \$10 of debentures. Price-By amendment. Business-The operation of drug stores. Proceeds-To open 5 new stores, repay loans and other corporate purposes. Office -3665 Gandy Blvd., Tampa, Fla. Underwriter-Courts & Co., Atlanta (managing).

Electra International, Ltd.

May 5, 1961 filed 70,000 shares of capital stock. Price-To be supplied by amendment. Business—The manufacture of products in the automotive ignition field for sale outside of the United States. Proceeds - For research, and development, and working capital. Office—222 Park Ave., South, New York City. Underwriter—Ezra Kureen Co., New York City.

* Electra-Tronics, Inc.

Aug. 14, 1961 ("Reg. A") 60,000 common shares (par 75 cents). Price—\$3. Proceeds—For repayment of loans; inventory; expansion and working capital. Office-724 King St., Cocoa, Fla. Underwriter-Jay Norton & Co., Sarasota, Fla.

Electro-Med, Inc. July 17, 1961 filed \$540,000 of convertible subordinated debentures due 1971. Price-By amendment. Business The manufacture of medical-electronic instruments. Proceeds - For working capital. Office - 4748 France Avenue, N. Minneapolis. Underwriter-Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

Electro-Miniatures Corp. (9/5)

June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price-\$3. Business — The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. Proceeds-For the selling stockholders. Office-600 Huyler St., Hackensack, N. J. Underwriter-Burnham & Co., New York.

Electro-Tec Corp.

July 28, 1961 filed 91,000 common shares (par 10 cents). Price-By amendment. Business-The manufacture of slip rings and brush block assemblies, switching devices, relays, and precious metal products. Proceeds-For the selling stockholders. Office — 10 Romanelli Ave., South Hackensack, N. J. Underwriter-Harriman Ripley & Co., Inc., New York (managing). Offering—Expected in late September.

Electro-Temp Systems, Inc.

June 30, 1961 ("Reg. A") 75,000 common shares (par one cent). Price \$4. Business-The sale of refrigeration machinery and equipment. Proceeds-For repayment of a loan, inventory, promotion and advertising, and working capital. Office—150-49 Hillisde Ave., Jamaica, N. Y. Underwriters—Planned Investing Corp., New York and Bayes, Rose & Co., Inc., 39 Broadway, New York.

Electronics Discovery Corp.

July 26, 1961 filed 150,000 common shares. Price-\$1. Business - The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. Proceeds-For research and development. Office - 1100 Shames Dr., Westbury, L .I., N. Y. Underwriter—Globus, Inc., New York.

Electronics, Inc.

Aug. 14, 1961 ("Reg. A") 60,000 common shares. Price -\$3. Business - The company is a military sub-contractor in the electronics field. Proceeds-For the repayment of loans and working capital. Office - 1242 N. Palm, Sarasota, Fla. Underwriter-Jay Morton & Co., Inc., Sarasota.

Empire Fund, Inc.

June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. Business—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of \$20,000 or more. Office-44 School Street, Boston, Mass. Underwriter-A. G. Becker & Co., Inc., Chicago. Offering-Expected in mid-September.

Empire Life Insurance Co. of America (9/18) March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). Price-\$10 per share. Proceeds-To go to selling stockholders. Office-2801 W. Roosevelt Road, Little Rock, Ark. Underwriter—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Equipment Investors, Inc.

Aug. 14, 1961 ("Reg. A") 250,000 common shares (par 25 cents) to be offered to residents of the State of Minnesota only. Price-\$1.15. Proceeds-For machinery, equipment and working capital. Office-1309 S. Clover Drive. Minneapolis 20, Minn. Underwriter-None.

Equitable Leasing Corp.

June 19, 1961 ("Reg. A") 90,000 common shares (par 25 cents) being offered for subscription by stockholders of record August 15, with rights to expire August 30. Price—\$2. Proceeds — For advertising and promotion, legal and audit fees, and working capital. Office—247 Charlotte St., Asheville, N. Y. Underwriter—Courts & Co., Atlanta.

Executive Equipment Corp.

Aug. 1, 1961 filed 100,000 common shares. Price - \$4. Business-The long-term leasing of automobiles. Proceeds - For the purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. Office — 790 Northern Blvd., Great Neck, N. Y. Underwriters—Reich & Co., and Jacques Coe & Co., New York.

FM-Stereo Guide, Inc. Aug. 4, 1961 "Reg. A" 50,000 common shares. Price-\$6. Business—The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. Proceeds-For general corporate purposes. Office-1711 Walnut Street, Philadelphia. Underwriter — Valley Forge Securities Co., Inc., New York City and Philadelphia.

Fairfield Controls, Inc.

May 19, 1961 filed 150,000 shares of common stock. Price -\$1 per share. Business—The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. Proceeds—For equipment, repayment of a loan, inventory, advertising and working capital. Office—114 Manhattan Street, Stamford, Conn. Underwriters - First Philadelphia Corp., and Lieberbaum & Co., both of New

Faradyne Electronics Corp.

Jan. 30, 1961 filed \$2,000,000 of 6% convertible subordinated debentures. Price-100% of principal amount. Business-The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. Proceeds-For the payment of debts and for working capital. Office—471 Cortlandt Street, Belleville, N. J. Under-writer—S. D. Fuller Co. Note—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement. A hearing on the matter will be held Sept. 8.

Fashion Homes Inc.

July 18, 1961 filed \$600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from \$4 to \$8 per share) to be

offered for public sale in units of one \$60 debenture. 10 common shares and 10 warrants. The registration also covers 40,800 common shares. Price-\$100 per unit, and \$6 per share. Business—The construction of shell homes. Proceeds-For redemption of 8% debentures; advances to company's subsidiary; repayment of loans; advertising and promotion, and other corporate purposes. Office-1711 N. Glenstone, Springfield, Mo. Underwriters Globus, Inc. and Ross, Lyon & Co., Inc., New York.

 Federal Manufacturing & Engineering Corp. June 30, 1961 filed 534,346 common shares of which 92,782 shares will be offered for subscription by stockholders on basis of 1 new share for each 5 shares held, and 92,782 shares offered for subscription by stockholders of Victoreen Instrument Co., parent firm, on the basis of one new share for each Victoreen share held. The record date and the rights expiration date in both cases are Aug. 25 and Sept. 14, respectively. Price-\$4. Proceeds-For the repayment of bank loans and other corporate purposes. Office-1055 Stewart Ave., Garden City, N. Y. Underwriter-None.

• Federal Tool & Manufacturing Co. (9/5)

June 12, 1961 filed 300,000 outstanding common shares. Price — \$5. Business—The manufacture of short-term stampings out of metals. Proceeds—For the selling stockholders. Office-3600 Alabama Ave., Minneapolis. Underwriter-Jamieson & Co., Minneapolis.

First Mortgage Fund June 12, 1961 filed 1,000,000 shares of beneficial interests. Price — \$15. Business — A real estate investment trust. Proceeds—For investment. Office—30 Federal St., Boston. Underwriter—Shearson, Hammill & Co., N. Y. Offering-Expected in September.

First National Real Estate Trust

June 6, 1961 filed 1,000,000 shares of beneficial interest in the Trust. Price-By amendment. Business-Real estate investment. Office-15 William St., New York. Distributor—Aberdeen Investors Program, Inc., New York.

First National Realty & Construction Corp. Aug. 11, 1961 filed \$3,000,000 of 61/2 % subordinated debentures due 1976 (with warrants attached). Price-By amendment. Business - The construction and management of real estate. Proceeds-For repayment of loans and general corporate purposes. Office—630 Third Avenue, New York. Underwriter—H. Hentz & Co., New York (managing).

First Small Business Investment Company

of Tampa, Inc. (9/11)
Oct. 6, 1960 filed 500,000 shares of common stock. Price \$12.50 per share. Proceeds — To provide investment capital. Office—Tampa, Fla. Underwriter—None.

 Fischbach & Moore, Inc. (8/25) June 29, 1961 filed 50,000 outstanding common shares. Price—By amendment. Business—Electrical contracting on office buildings, industrial plants and missile, radar and power plant installations. **Proceeds**—For the selling stockholders. **Office** — 545 Madison Ave., New York. **Underwriter**—Allen & Co., New York (managing).

Flato Realty Fund (9/11) April 21, 1961 filed 2,000,000 shares of participation in the Fund. Price-\$10 per share. Business-A new real estate investment trust. Proceeds — For investment. Office—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. Distributor-Flato, Bean & Co., Corpus Christi.

Fleetwood Securities Corp. of America Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. Price-\$10. Business-Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. Proceeds-To increase net capital and for investment. Office-44 Wall St., New York. Underwriter — General Securities Co., Inc., New York. Offering—Expected in early Oct.

Flora Mir Candy Corp.
May 24, 1961 (letter of notification) 85,700 shares of common stock (par 10 cents). Price—\$3.50 per share. Business—The manufacture of candy products. Proceeds -For repayment of loans; working capital, and expansion. Office-1717 Broadway, Brooklyn, N. Y. Underwriters-Security Options Corp.; Jacey Securities Co. and Planned Investing Corp. all of New York City.

Florida Capital Corp. June 23, 1961 filed 488,332 common shares to be offered for subscription by stockholders on the basis of one new share for each two shares held of record Aug. 22 with rights to expire Sept. 5. Price-\$7.75. Business-A small business investment company. Proceeds—For investment. Office—396 Royal Palm Way, Palm Beach, Fla. Underwriter-A. C. Allyn & Co., New York (man-

Foamland U. S. A., Inc. (9/5) June 22, 1961 filed 150,000 common shares, of which 90,000 shares are to be offered by the company and 60,000 shares by the stockholders. Price—\$5. Business— The manufacture and retail sale of household furniture. Proceeds-For acquisition of new stores, development of new furniture items, working capital and other corporate purposes. Office — Cherry Valley Terminal Road, West Hempstead, N. Y. Underwriter — Fialkov & Co., Inc., New York (managing).

Fotochrome Inc. June 29, 1961 filed \$3,500,000 of convertible subordinated debentures due 1981 and 262,500 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. Price - By amendment. Business — The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. Proceeds - For construction of a new plant, purchase of equipment, mov-

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ing expenses and for other corporate purposes. Office—1874 Washington Ave., New York. Underwriters—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., New York. Offering—Expected in September.

Frontier Airlines, Inc. (9/5)
March 16, 1961 filed 250,000 outstanding shares of common stock. Price—To be supplied by amendment. Business—The transportation by air of passengers, property and mail between 66 cities in 11 states. Proceeds—For the selling stockholders. Office — 5900 E. 39th Ave., Denver, Colo. Underwriter—To be named.

Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at \$2 per share from March to August 1961 and at \$3 per share from September 1962 to February 1964. Price—\$4 per unit. Business—The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. Proceeds—For general corporate purposes. Office—Kensington and Sedgley Avenues, Philadelphia, Pa. Underwriter—Fraser & Co., Inc., Philadelphia, Pa. Note—This company plans to change its name to G-W Indus-

General Foam Corp.

Aug. 15, 1961 filed \$4,000,000 of 6% convertible subordinated debentures due 1981. Price—At par. Business—The manufacture of urethane foam and foam rubber products. Proceeds—For repayment of loans and working capital. Office—640 W. 134th St., New York. Underwriter—Brand, Grumet & Seigel, Inc., New York.

★ General Forms, Inc. (9/20)
Aug. 15, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Proceeds—For repayment of loans, plant improvements, equipment and working capital. Office—7325 Northwest 43rd St., Miami, Underwriter—Equity Securities Co., New York.

General Kinetics Inc.

Aug. 7, 1961 filed 200,000 common shares. Price — By amendment. Business — The company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. Proceeds — For expansion. Office — 2611 Shirlington Road, Arlington, Va. Underwriters—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

General Plastics Corp.

June 20, 1961 ("Reg. A") 60,000 common shares (par \$1). Price—\$5. Proceeds—For repayment of loans, inventory, equipment and working capital. Office—12414 Exposition Blvd., West Los Angeles, Calif. Underwriters—Pacific Coast Securities Co. and Sellgren, Miller & Co., San Francisco.

General Public Service Corp.

July 26, 1961 filed 3,947,795 common shares to be offered for subscription by stockholders on the basis of one new share for each two shares held. Price—By amendment. Business—A closed-end investment company. Proceeds—For investment. Office—90 Broad St., New York. Underwriter — Stone & Webster Securities Corp., New York (managing).

General Spray Service, Inc.
June 23, 1961 filed 90,000 class A common shares and warrants to purchase 90,000 class A common shares to be offered in units, each unit consisting of one class A share and one two-year warrant. Price—\$3.50 per unit. Business — The manufacture of a spraying machine. Office—156 Katonah Ave., Katonah, N. Y. Underwriter—Ross, Lyon & Co., Inc., New York (managing).

June 22, 1961 ("Reg. A") 125,000 common shares (par one cent). Price—\$1.25. Business—Preparation of minerals and metals for the electronic, metallurgical and geoscientific industries. Proceeds — For repayment of loans, purchase of equipment, expansion, working capital and other corporate purposes. Office—110-116 Beekman St., New York. Underwriter — First Philadelphia Corp., and Globus, Inc., New York. Offering—Imminent.

Gerber Scientific Instrument Co.
July 14, 1961 filed 78,000 common shares, of which 60,000 shares are to be offered by the company and 18,000 shares by the stockholders. Price—By amendment.
Business—The manufacture of scientific instruments.
Proceeds—For repayment of loans, expansion and working capital. Office—140 Van Block Ave., Hartford, Conn.
Underwriter—Estabrook & Co., Boston, Mass.

May 29, 1961 filed 65,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 15,000 outstanding shares by the present stockholder. Price—To be supplied by amendment. Business—The company conducts consumer research, does telephone sales promotion and prepares articles and books which are related to or relate to merchandising advice to the teenage youth and student fields. Proceeds—For working capital. Office—205 E. 42nd Street, New York City. Underwriter—McDonnell & Co., N. Y.

Girder Process, Inc.
July 21, 1961 filed 80,000 class A common shares. Price—
\$5.25. Business—The manufacture of adhesive bonding films and related products. Proceeds—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product

development, sales program, advertising, working capital and other corporate purposes. Office—102 Hobart Street, Hackensack, N. J. Underwriter—Winslow, Cohu & Stetson, New York (managing).

Glenn Pacific Corp.

July 27, 1961 filed 80,000 common shares. Price—\$5.

Business—The manufacture of power supplies for arc welding equipment. Proceeds—For repayment of a loan and working capital. Office—703—37th Ave., Oakland. Underwriter—Birr & Co., Inc., San Francisco.

Glickman Corp.

Aug. 3, 1961 filed 600,000 class A common shares. Price

—By amendment. Business—Real estate. Proceeds—For investment. Office—501 Fifth Ave., New York. Underwriters—Bache & Co., and Hirsch & Co., New York (managing).

Globe Coliseum, Inc.
July 21, 1961 ("Reg. A") 300,000 common shares. Price
—At par (\$1). Proceeds—For construction of a coliseum
building, furnishings and incidental expenses. Address—
c/o Fred W. Layman, 526 S. Center, Casper, Wyo. Underwriter—Northwest Investors Service, Inc., Billings, Mont.

Globe Rubber Products Corp.

Aug. 10, 1961 filed 175,000 common shares, of which 60,-000 shares are to be offered by the company and 115,000 shares by stockholders. Price—By amendment. Business—The manufacture of rubber floor mats, swim gear and household products. Proceeds—For repayment of loans and general corporate purposes. Office—418 W. Ontario Street, Philadelphia. Underwriter—Kidder, Peabody & Co., New York (managing).

Gloray Knitting Mills, Inc. (9/11)
June 30, 1961 filed 125,000 common shares. Price—By amendment. Business — The manufacture of boys and mens' knitted sweaters. Proceeds—For general corporate purposes. Office—Robesonia, Pa. Underwriter—Shields & Co., New York (managing).

Gordon (I.) Realty Corp. (9/6)
June 20, 1961 filed 320,000 common shares. Price—\$5.
Business—Real estate investment. Proceeds—For general corporate purposes. Office — 112 Powers Bldg., Rochester, N. Y. Underwriter—George D. B. Bonbright & Co., Rochester, N. Y.

Greene (M. J.) Co. (9/7)
June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Proceeds — For expansion, and working capital. Office—14 Wood St., Pittsburgh. Underwriter—Hess, Grant & Remington, Inc., Philadelphia.

Growth, Inc.

May 17, 1961 (letter of notification) 100,000 shares of common stock (par \$1). Price—\$3 per share. Address—Lynn, Mass. Underwriter—Mann & Creesy, Salem, Mass.

Growth Properties

May 9, 1961 filed 100,000 shares of common stock. Price

To be supplied by amendment. Business—The company plans to engage in all phases of the real estate business. Proceeds — To reduce indebtedness, construct apartment units, buy land, and for working capital. Office—Suite 418, Albert Bldg., San Rafael, Calif. Underwriter—Pacific Coast Securities Co., San Francisco, Calif. (managing).

★ Guif States Utilities Co. (10/3)
Aug. 21, 1961 filed \$15,000,000 of debentures due 1981.
Office—285 Liberty Avenue, Beaumont, Texas. Underwriters—Competitive. Probable bidders: Salomon Brothers & Htuzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. Bids—Oct. 3, 1961 at 11 a.m. Information Meeting—Sept. 28 (11 a.m. EDST) at 70 Broadway (18th floor) New York.

• Guy's Foods, Inc. (10/23)
Aug. 2, 1961 filed 97,000 common shares (par \$2). Price—\$10. Business—The processing of foods. Proceeds—For purchase of buildings, equipment and additional inventories. Office—2215 Harrison, Kansas City, Mo. Underwriter—Allen & Co., New York (managing).

July 13, 1961 filed \$1,500,000 of convertible subordinated debentures due 1976 (with attached warrants) and 90,000 common shares to be offered in 30,000 units each consisting of \$50 of debentures (with warrants) and three common shares. Price—By amendment. Business—The manufacture of helicopters. Proceeds—For redemption of preferred stock, construction, purchase of machinery and equipment, furniture and fixtures and working capital. Office—St. James, L. I., N. Y. Underwriter—Harriman Ripley & Co., New York (managing).

Hallmark Insurance Co., Inc.
Aug. 3, 1961 filed 225,000 common shares. Price — \$3.
Business—An insurance company. Proceeds—For capital and surplus. Office—636 S. Park St., Madison, Wis. Underwriters—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

Hamilton Electro Corp.

Aug. 9, 1961 filed 135,000 common shares, of which 80,000 shares are to be offered by the company and 55,000 shares by stockholders. Price—\$7.50. Business—The distribution of solid state electronic parts and equipment. Proceeds—For inventory, new product lines, repayment of loans and working capital. Office—11965 Santa Monica Blvd., Los Angeles, Calif. Underwriter — William Norton Co., New York.

Hampton Sales Co., Inc.
July 27, 1961 filed 150,000 common shares. Price—\$4.
Business—The operation of real discount stores. Proceeds
—For repayment of bank loans and working capital.
Office—8000 Cooper Ave., Glendale, L. I. (Queens),

N. Y. Underwriter—Godfrey, Hamilton, Magnus & Co., Inc., New York.

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par one cent). Price—\$3. Business—The fabrication of components for missiles, jet engines, aircraft landing gears and precision machines. Proceeds—For machinery, research and development and working capital. Office—40 Sea Cliff Avenue, Glen Cove, N. Y. Underwriter—Albion Securities Co., Inc., New York.

Harmon (George) Co., Inc.
July 21, 1961 ("Reg. A") 62,500 common shares. Price—
\$4. Proceeds—For working capital, equipment, research and development, advertising, etc. Office—18141 Napa St., Northridge, Calif. Underwriter—Hamilton Waters & Co., Inc., Hempstead, N. Y.

June 20, 1961 filed 150,000 common shares of which an undisclosed number will be offered by the company for subscription by stockholders and the balance (amounting to \$300,000 after underwriting commissions) by a stockholder. Price—By amendment. Business—The manufacture of products for baby care such as quilts, pillows, knitted garments, etc. Proceeds—For the repayment of loans, purchase of raw materials and equipment, leasehold improvements, and working capital. Office—1800 E. 38th St., Cleveland. Underwriter—J. R. Williston & Beane, New York (managing).

May 5, 1961 filed 351,280 shares of common stock, of which up to 90,000 shares are to be offered for public sale by the present holders thereof and the balance by the company. Price — At-the-market at time of sale. Business—The design, manufacture and sale of electric power recording instruments. Office—2401 E. Second Avenue, Denver, Colo. Underwriters—Bear, Stearns & Co. and Wertheim & Co., New York, N. Y. Note—This statement will be withdrawn. The company is expected to merge with Lionel Corp. Stockholders are to vote on the merger Sept. 7, 1961.

Hawaiian Telephone Co.

Aug. 15, 1961 filed 782,144 common shares, of which 711,040 shares are to be offered for subscription by stockholders on the basis of one new share for each six shares held and 71,104 shares to be sold to employees.

Price—By amendment. Proceeds—For working capital.

Office—1130 Alakea St., Honolulu. Underwriter—Kidder, Peabody & Co., New York (managing).

Hawthorne Financial Corp.

Aug. 10, 1961 filed 33,117 capital shares. Price — By amendment. Business—A holding company for a savings and loan association and an insurance agency. Proceeds — For the selling stockholders. Office—305 S. Hawthorne Boulevard, Hawthorne, Calif. Underwriter — Crowell, Weedon & Co., Los Angeles.

Hexagon Laboratories, Inc.
July 20, 1961 filed \$540,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of \$300 of debentures and 50 common shares. Price—\$500 per unit. Business—The manufacture of medicinal chemicals. Proceeds—For equipment, expansion, repayment of loans and working capital. Office—3536 Peartree Avenue, New York. Underwriter—Stearns & Co., New York (managing).

Hi-Shear Corp.

Aug. 1, 1961 filed 139,500 common shares, of which 105,-000 will be sold by the company and 34,500 by stockholders. Price—By amendment. Business—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. Proceeds—For construction, repayment of loans and other corporate purposes. Office — 2600 W. 247th St., Torrance, Calif. Underwriter—William R. Staats & Co., Los Angeles.

Hilco Homes Corp.

June 30, 1961 filed \$650,000 of 6½% convertible subordinated debentures due 1979 and 195,000 common shares to be offered for public sale in 6,500 units, each consisting of one \$100 debenture and 30 common shares.

Price—By amendment. Business—The manufacture of pre-cut homes and components in the heating, plumbing and kitchen equipment fields. Proceeds—To organize a new finance subsidiary, for plant expansion, and for working capital. Office—70th St., and Essington Ave., Philadelphia. Underwriter—Rambo, Close & Kerner, Inc. Philadelphia.

Hoffman International Corp.
July 18, 1961 filed \$1,890,700 7% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 25 shares held. Price—At par. Business—The manufacture of pressing and dry-cleaning equipment. Proceeds—For repayment of loans and general corporate purposes. Office—107 Fourth Ave., New York. Underwriter—J. R. Williston & Beane, New York.

Hogan Faximile Corp. (10/16)
July 26, 1961 filed 300,000 common shares. Price — By amendment. Business—The manufacture of electrolytic recording paper and equipment. Proceeds—For repayment of debt and working capital. Office—635 Greenwich St., New York. Underwriter—William R. Staats & Co., Los Angeles (managing).

July 28, 1961 filed 175,000 common shares, of which 100,000 shares are to be offered by the company and 75,000 shares by the stockholders. Price—By amendment. Business—The operation of a chain of women's and children's apparel stores. Proceeds—For land purchase, inventory and general corporate purposes. Office—115 Fifth Ave., New York. Underwriter—Allen & Co., New York (managing).

Hollywood Artists Froductions Inc.

July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The production of motion picture and TV feature films. Proceeds-For repayment of loans, producers' fee, stories and working capital. Office-350 Lincoln Rd., Miami Beach, Fla. Underwriter-A. M. Shulman & Co., Inc., New York. 37 Wall St., New York.

* Home-O-Nize Co.

Aug. 14, 1961 ("Reg. A") 833 common shares (par \$10). Price-\$60. Proceeds-For general corporate purposes. Office-301 Oak Street, Muscatine, Iowa. Underwriter-None.

Houston Corp. (9/18)

June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. Price-By amendment. Business - The operation of a pipe line system of natural gas. Proceeds-For expansion, working capital and general corporate purposes. Office—First Federal Bldg., St. Petersburg, Fla. Underwriters—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York.

 Howe Plastics & Chemical Companies, Inc. March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). Price-At-the-market. Business-The manufacture of plastic items. Proceeds-For the repayment of debt; advertising and sales promotion; expansion and working capital. Office — 4077 Park Ave., Bronx 57, N. Y. Underwriter—To be named. Note—This issue was suspended by the SEC Aug. 17.

Hydroswift Corp. Oct. 20, 1960 filed 120,000 shares of common stock. Price -\$3 per share. Business-The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." Proceeds-For general funds, including expansion. Office-1750 South 8th Street, Salt Lake City, Utah. Underwriter - Whitney & Co., Salt Lake City, Utah. Note-This offering has been temporarily postponed.

Ihnen (Edward H.) & Son, Inc. (9/5-8) May 16, 1961 filed 75,000 shares of common stock. Price -\$5 per share. Business—The construction of public and private swimming pools and the sale of pool equipment. Proceeds-To reduce indebtedness, to buy equipment, and for working capital. Office-Montvale, N. J. Underwriter-Amos Treat & Co., Inc., New York City.

Illinois 'Fool Works Inc.

July 12, 1961 filed 100,000 outstanding common shares (par \$10). Price—By amendment. Business—The manutacture of metal and plastic fasteners, gear-cutting tools, measuring instruments, etc. Proceeds-For the selling stockholders. Office-2501 N. Keeler Ave., Chicago. Underwriter-White, Weld & Co., New York (managing). Offering—Expected in early September.

• Income Planning Corp. (9/11)

Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. Price - \$40 per unit. Proceeds - To open a new branch office, development of business and for working capital. Office-3300 W. Hamilton Boulevard, Allentown, Pa. Underwriter-Espy & Wanderer, Inc., Teaneck, N. J.

Industrial Electronic Hardware Corp.

June 29, 1961 filed \$1,000,000 of 6% convertible suboramated debentures due Aug. 1, 1976 to be offered by the company and 25,000 outstanding common shares by the stockholders (par 50c). Price-For debentures-100%; For stock-By amendment. Business-The manufacture of pasic component parts for the electrical and electronic equipment industry. Proceeds-For expansion, inventory, introduction of new products and general corporate purposes. Office-109 Prince Street, New York. Underwriter-S. D. Fuller & Co., New York (managing). Offering—In early September.

• Industrial Engravers, Inc. (8/28)
June 6, 1961 ("Reg. A") 120,000 common shares (par 10 cents). Price—\$2. Business—The marking and fabrication for metal parts. Proceeds-For moving expenses, plant equipment, sales promotion and working capital.

Office — 2212 McDonald Ave., Brooklyn, N. Y. Underwriter-A. J. Frederick Co., Inc., New York, Note-This company formerly was named Data Components, Inc.

Industrial Gauge & Instrument Co., Inc. (8/28-9/1)

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price — \$3. Business — The sale of industrial gauges, valves and allied products. Proceeds-For production, inventory, working capital and repayment of loans. Office—1403 E. 180th St., New York 69, N. Y. Underwriter-R. F. Dowd & Co., Inc., New York. Industrionics Controls, Inc.

July 26, 1961 filed 84,000 common shares. Price -Business—The manufacture of electronic controls for the monitoring of machinery. Proceeds-For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. Office-20 Vandam St., New York. Underwriter-Jacey Securities Co.,

New York (managing).

Industry Fund of America, Inc. July 10, 1961 filed 740,000 common capital shares. Price -Net asset value plus a sales charge of up to 8½%.

Business — A mutual fund. Proceeds — For investment. Office 400 Utah Savings Bldg., Salt Lake City. Underwriter-None.

• Instrument Systems Corp. (9/5-8)

June 28, 1961 filed 150,000 common snares (par 25 cents). Price-\$5. Business-The manufacture of precision instruments and controls for the aircraft and electronics industries. Proceeds-For expansion and working capital. Office-129-07 18th Avenue, College Point, N. Y. Underwriters-Milton D. Blauner & Co. (managing), M. L. Lee & Co., Inc., Lieberbaum & Co., New York. Offering—Expected in late August.

• Intercontinental Dynamics Corp. (9/6) July 18, 1961 ("Reg. A") 200,000 common shares. Price -\$1.50. Business-The manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. Office-170 Coolidge Avenue, Englewood, N. J. Underwriter - M. H. Woodhill Inc., New York.

* International Housing Corp.

Aug. 16, 1961 filed 440,000 common shares. Price-\$1.15. Business-For construction and financing of shell homes. Proceeds—For working capital and general corporate purposes. Office-2101 N. E. Broadway, Minneapolis. Underwriter—Bratter & Co., Inc., Minneapolis.

Interstate Bowling Corp.

July 25, 1961 filed 150,000 common shares. Price—\$3.50. **Business** — The acquisition and operation of bowling centers in Colorado, California and other states. Proceeds -For repayment of debts and general corporate purposes. Office — 10391 Magnolia Ave., Riverside, Calif. Underwriter—Currier & Carlsen, Inc., Los Angeles.

Irvan Ferromagnetics Corp. (8/30) July 6, 1961 ("Reg. A") 40,000 common shares (par 50 cents). Price—\$5. Proceeds—For production equipment, repayment of loans and research. Office-13856 Saticoy St., Van Nuys, Calif. Underwriters-Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif. and Maltz, Greenwald & Co., New York.

Irwin (Richard D.), Inc.

July 10, 1961 filed 160,000 common shares of which 35,000 shares are to be offered by the company and 125,000 by stockholders. Price—By amendment. Business —The publishing of textbooks on business and economic subjects. Proceeds - For working capital and general corporate purposes. Office-1818 Ridge Road, Homewood, Ill. Underwriter-A. G. Becker & Co., Inc., New York (managing).

Israel-America Hotels, Ltd. (9/5)

June 8, 1961 filed 1,250,000 ordinary shares. Price-\$1 per share, payable in cash or State of Israel bonds. Business-The operation of hotels. Proceeds-For construction and operation of a hotel at Herzlia, Israel. Address-Tel Aviv, Israel. Underwriter-Brager & Co., New York.

Ivest Fund, Inc.

Feb. 20, 1961 filed 150,000 shares of common stock. Price -Net asset value at the time of the offering. Business A non-diversified, open-end investment company, whose stated objective is capital appreciation. Proceeds -For investment. Office - One State Street, Boston, Underwriter-Ivest, Inc., One State Street, Boston. Offering-Expected in September.

★ James Vending Machine Co., Inc.

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price-\$3. Business-The sale of vending machines. Proceeds-For purchase of trucks, development and general corporate purposes. Office—5523 Illinois Ave., N. W., Washington 11, D. C. Underwriter—Mitchell, Carroll & Co., Inc., 1801 K St., N. W., Washing-

* Jarrell-Ash Co.

Aug. 17, 1961 filed 60,000 class A common shares and 9,000 outstanding voting trust certificates (representing beneficial interest in 9,000 class B common shares). Price -By amendment. Business-The manufacture of optical instrumentation. **Proceeds**—For repayment of loans and working capital. **Office** — 7 Farwell St., Newtonville, Mass. Underwriters-Stearns & Co., New York and Clayton Securities Corp., Boston.

Jefferson Growth Fund, Inc. July 11, 1961 filed 1,000,000 shares of capital stock. Price Net asset value plus 8½% sales commission. Business
 A mutual fund. Proceeds—For investment. Office—52 Wall St., New York. Underwriter-Jefferson Distributors Corp., New York.

Jergens (Andrew) Co.

Aug. 3, 1961 filed 250,002 outstanding common shares. Price-By amendment. Business-The manufacture of toiletries. Proceeds—For the selling stockholders. Office -2535 Spring Grove Ave., Cincinnati. Underwriter-Hornblower & Weeks, New York (managing).

Jolyn Electronic Manufacturing Corp. (8/30) April 24, 1961 (letter of notification) 65,500 shares of common stock (par one cent). Price - \$3 per share. Business-The manufacture of machine tool products, drift meters, sextants and related items. Proceeds-For repayment of a loan, working capital, and general corporate purposes. Office-Urban Avenue, Westbury, L. I., N. Y. Underwriter-Kernes, Bennett & Co., Inc., New York, N. Y.

Kaufman & Broad Building Co.

Aug. 11, 1961 filed 174,500 common shares, of which 124,-500 shares are to be offered by the company and 50,000 shares by stockholders. Price-By amendment. Business -The construction and sale of low-priced homes. Proceeds-For repayment of loans and working capital. Office-18610 W. Eight Mile Road, Southfield, Mich. Underwriter-Bache & Co., New York (managing).

• Keller Corp. (10/16) June 29, 1961 filed \$1,200,000 of 61/2 % convertible subordinated debentures due 1968. Price-At 100%. Business-The development of land, construction of homes

and related activities in Florida. Proceeds-For repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. Office-101 Bradley Place, Palm Beach, Fla. Underwriter-Casper Rogers & Co., Inc., New York (managing).

Kent Washington, Inc. July 19, 1961 filed 200,000 common shares. Price-\$5. Business-General real estate. Proceeds-For repayment of loans, working capital, construction and other corporate purposes. Office—1420 K Street, N. W., Washington, D. C. Underwriter—Hodgdon & Co., Inc., Washing-ton, D. C.

* Kentucky Central Life & Accident Insurance Co. Aug. 16, 1961 filed 400,000 class A non-voting common shares, of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price-From \$13 to \$17 per share. Preceeds—To increase capital and surplus. Address—Anchorage, Ky. Underwriter—Stifel, Nicolaus & Co., St. Louis (managing).

Keystone Alloys Co.
Aug. 10, 1961 filed 42,000 common shares. Price—By amendment. Business - The manufacture of aluminum siding and doors and accessories. Proceeds-For acquisitions and repayment of loans. Office-511 Mellon Bank Building, Latrobe, Pa. Underwriter-Singer, Deane & Scribner, Pittsburgh (managing).

★ Keystone Steel & Wire Co.

Aug. 23, 1961 filed \$20,000,000 of convertible subordinated debentures due 1981. Price-By amendment. Business-The production of steel. Proceeds-For the repayment of debt and working capital. Office-Peoria, Ill. Underwriters-Hornblower & Weeks and Eastman Dillon, Union Securities & Co. (co-managing),

King's Department Stores, Inc. (9/13) July 12, 1961 filed 500,000 common shares (par \$1) of which 250,000 shares are to be offered by the company and 250,000 shares by the stockholders. Price — By amendment. Proceeds—For expansion. Office—910 Commonwealth Ave., Boston, Mass. Underwriter—Shearson, Hammill & Co., New York (managing).

King's Office Supplies & Equipment, Inc. July 5, 1961 ("Reg. A") 65,000 common shares (par \$1). Price-\$2. Proceeds-For inventory and working capital. Office-515-5th St., Santa Rosa, Calif. Underwriter -Pacific Coast Securities Co., San Francisco.

Kirk (C. F.) Laboratories, Inc. (9/5-8)

June 16, 1961 filed 100,000 common shares. Price-By amendment. Business The manufacture of pharmaceuticals. Proceeds—For repayment of a loan, purchase and installation of equipment, development and promotion of new products and for working capital. Office-521 W. 23rd Street, New York. Underwriter-Hill, Darlington & Grimm, New York (managing).

Kronfeld (Phil), Inc. July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price-\$4. Business-The operation of men's retail stores. **Proceeds**—For a new store, working capital and general corporate purposes. Office — 201 W. 49th Street, New York. Underwriter-Kerns, Bennett & Co., Inc., New York.

Kulicke & Soffa Manufacturing Co. Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. Price—By amendment. Business—The manufacture of machinery for production of transistors and similar devices. Proceeds-For payment of taxes, new products, down payment on a new plant and general corporate purposes. Office-401 N. Broad St., Philadelphia. Underwriter-Marron, Sloss & Co., Inc., New York (managing).

L. L. Drug Co., Inc.
July 26, 1961 filed 100,000 common shares. Price—\$4.50. Business — The manufacture or pharmaceuticals. Proceeds-For repayment of a loan, purchase of equipment, research and development, advertising and working capital. Office—1 Bala Ave., Bala-Cynwyd, Pa. Underwriter—Stevens Investment Co., Bala-Cynwyd, Pa.

Lam-Craft Corp. Aug. 14, 1961 ("Reg. A") 50,000 common shares (par \$1). Price-\$2.50. Preceeds-For expansion and inventory. Office-910 N. Marshfield Avenue, Chicago. Underwriter

"Lapideth" Israel Oil Prospectors Corp. Ltd. med 1,500,000 be supplied by amendment, and to be payable either totally or partially in Israel bonds. Business-The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. Proceeds-For exploration and development of oil lands. Office-22 Rothschild Blvd., Tel-Aviv, Israel. Underwriter -

Leader Durst Tri-State Co. July 21, 1961 filed \$2,015,750 of limited partnership interests. Price - \$5,000 per interest. Business - A real estate investment company. Proceeds-For investment. Office-41 E. 42nd Street, New York. Underwriter-

Lee Filter Corp. July 7, 1961 ("Reg. A") 1,334 capital shares (par \$1). Price-\$7.25. Business-The manufacture of air, oil and gasoline filters for vehicles. Proceeds-For the selling stockholders. Office—191 Talmadge Road, Edison, N. J. Underwriter-Omega Securities Corp., New York (managing).

Lewis & Clark Marina, Inc. (9/8)
May 9, 1961 (letter of notification) 150,000 shares of common stock (par \$1). Price—\$2 per share. Address—

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Yankton, S. D. Underwriter — The Apache Investment Planning Division of the Apache Corp., Minneapolis.

July 3, 1961 filed 400,000 common shares (par \$1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—By amendment. Business—The processing, canning, bottling and selling of fruits and vegetables. Proceeds—For repayment of debt and working capital. Office—Fresno Ave. & Charter Way, Stockton, Calif. Underwriter—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. Proceeds — For repayment of loans, inventory and working capital. Office—325 W. Houston Street, New York. Underwriter—Tau Inc., New York.

Lincoln Fund, Inc. (9/18)
March 30, 1961 filed 951,799 shares of common stock.
Price — Net asset value plus a 7% selling commission.
Business — A non-diversified, open-end, managementtype investment company whose primary investment objective is capital appreciation and, secondary, income
derived from the sale of put and call options. Proceeds—
For investment. Office—300 Main St., New Britain, Conn.
Distributor—Horizon Management Corp., New York.

Liverpool Industries, Inc.

Aug. 1, 1961 "Reg. A" 85,700 common shares (par 10 cents). Price — \$3.50. Business — The manufacture of precision parts for the aircraft and electronic industries.

Proceeds—For sales promotion and working capital. Office—162 57th Street, Brooklyn, N. Y. Underwriter—Arden Perin & Co., Inc., New York. Offering—Expected about mid-Sept.

July 28, 1961 filed 388,250 common shares. Price—By amendment. Business—The retail and wholesale distribution of building supplies, household fixtures and appliances, etc. Proceeds — For the selling stockholders. Address—North Wilkesboro, N. C. Underwriter—G. H. Walker & Co., Inc., New York (managing).

Aug. 8, 1961 filed 150,000 common shares. Price — By amendment. Business—The manufacture of rainwear and golf jackets. Office—3600 Clipper Mill Road, Baltimore. Underwriter—Alex. Brown & Sons, Baltimore.

Long Falls Realty Co.
July 21, 1961 filed \$1,708,500 of limited partnership interests. Price—\$5,000 per interest. Business—General real estate. Proceeds—For investment. Office—18 E. 41st Street, New York. Underwriter — Tenney Securities Corp., New York.

May 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). Price—\$3 per share. Business—The operation of bowling alleys. Proceeds—For general corporate purposes. Address—Mattituck, L. I., N. Y. Underwriter—Trinity Securities Corp., New York City. Offering—Imminent.

Long-Lok Corp.
July 26, 1961 ("Reg. A") 100,000 capital shares (no par).
Price—\$3. Proceeds—For a new subsidiary, machinery repayment of a loan and working capital. Office—4101 Redwood Ave., Los Angeles. Underwriter—Rutner, Jackson & Gray, Inc., Los Angeles.

Lortogs, Inc.
July 26, 1961 filed 200,000 common shares, of which
150,000 shares are to be offered by the company and
50,000 shares by the stockholders. Price—\$6.50. Business
—The manufacture of children's sportswear. Proceeds—
For repayment of loans; inventories; new products;
working capital, and general corporate purposes. Office
—85 Tenth Ave., New York. Underwriter—Reich & Co.,
New York (managing).

March 30, 1961 filed 300,000 shares of capital stock. Price—To be supplied by amendment. Business—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. Proceeds—To repay loans and for working capital. Office—8150 Sunset Boulevard. Hollywood, Calif. Underwriters—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing).

M P I Glass Fibers, Inc. (9/18)
April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). Price—\$2 per share. Business—The manufacture of a new patented fiber glass material to be used in rocket motor cases. Proceeds—For expenses, equipment and working capital. Office—1025 Shoreham Bldg., Washington, D. C. Underwriter—Atlantic Equities Co., Washington, D. C. Note—This company formerly was named Industrial Materials, Inc.

MacLevy Associates, Inc.
July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). Price—\$2. Business—The distribution of health, exercise and slenderizing equipment. Proceeds—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. Office—189 Lexington Avenue, New York 16, N. Y. Underwriter—Continental Bond & Share Corp., Washington, D. C.

Mag-Tronics Corp.
July 17, 1961 ("Reg. A") 250,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For inventory, equip-

ment and working capital. Office—2419 Hiawatha Ave., Minneapolis. Underwriter—Craig-Hallum Kunnard, Inc., Minneapolis.

Magazines For Industry, Inc.

Aug. 2, 1961 filed 135,000 common shares. Price — By

amendment. Business—The publishing of business periodicals. Proceeds—For promotion, a new publication and working capital. Office—660 Madison Ave., New York. Underwriter—S. D. Fuller & Co., New York (managing).

Magna Pipe Line Co. Ltd.

June 1, 1961 filed 750,000 common shares, of which 525,-000 will be offered for sale in the U. S., and 225,000 in Canada. Price—By amendment. Business—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Vancover Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. Proceeds—For construction. Office—508 Credit Foncier Bldg., Vancouver, B. C. Underwriters—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pitfield & Co., Ltd.. Montreal. Note—This registration has been temporarily postponed.

Magnetic Metals Co.
July 28, 1961 filed 151,200 common shares. Price—By amendment. Business — The manufacture of magnetic components used in the electrical and electronics industries. Proceeds—For the selling stockholders. Office—Hayes Avenue at 21st Street, Camden, N. J. Underwriter—Butcher & Sherrerd, Philadelphia (managing).

Mairs & Power Income Fund, Inc. (9/18)
June 7, 1961 filed 40,000 common shares. Price — By amendment. Business—A mutual fund. Proceeds — For investment. Office—1002 First National Bank Bldg., St. Paul, Minn. Underwriter—None.

★ Major Finance Corp.

Aug. 18, 1961 filed \$200,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,-000 common shares to be offered in units consisting of \$100 debenture (with a warrant to purchase one common share at \$4) and 50 common shares. Price—\$300 per unit. Bu₃iness—Consumer finance. Proceeds—For working capital. Office—912 Thayer Ave., Silver Spring, Md. Underwriter—Manhattan Eastern Corp., New York (managing).

Marine Structures Corp.
Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. Proceeds—To purchase raw materials, advertising and for working capital. Office—204 E. Washington St., Petaluma, Calif. Underwriter—Grant, Fontaine & Co., Oakland, Calif.

• Mark Truck Rental Corp. (9/5-8)
June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). Price—\$1. Proceeds—For working capital. Office—301 Cliff Ave., Scranton, Pa. Underwriter—Vickers Securities Corp., New York.

• Marks Polarized Corp.

June 27, 1961 filed 95,000 common shares. Price — By amendment. Proceeds — For expansion, acquisition of new facilities and other corporate purposes. Office—153-16 Tenth Ave., Whitestone, N. Y. Underwriters—Ross, Lyon & Co., Inc. (managing), and Globus, Inc., N. Y.

• Marsan Industries, Inc. (8/29)
June 6, 1961 filed 125,000 shares of class A common.
Price—\$4 per share. Business—The issuing firm is a holding company for Jersey Packing Co., and a closed circuit television camera manufacturer. Proceeds—For the purchase of equipment, research and development, expansion of the Missiltronics Division, advertising, inventory and working capital. Office—136 Orange St., Newark, N. J. Underwriter—T. M. Kirsch & Co., New York City. Note—This company formerly was named American Missiltronics Corp.

Marshall Industries

Aug. 4, 1961 filed 131,305 common shares to be offered for subscription by stockholders on the basis of one new share for each four shares held. Price—By amendment. Business — The manufacture of electronic components and instruments primarily for space and missile applications. Proceeds—For repayment of debt and advances to subsidiaries. Office—2065 Huntington Dr., San Marino, Calif. Underwriters—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York (managing).

July 10, 1961 filed ("Reg. A") 75,000 common shares.

Price—\$4. Business—The manufacture of medical and industrial plastic devices. Proceeds—For general corporate purposes. Office—95-01 150th Street, Jamaica 35, N. Y. Underwriter—Sulco Securities, Inc., N. Y. C.

★ McAlester Aircraft, Inc.
Aug. 15, 1961 ("Reg. A") 25,000 class A common shares (par \$1). Price—\$10. Proceeds—For research, engineering, production and working capital. Office—2801 S. Air Depot Boulevard, Midwest City, Okla. Underwriter—Honnold & Co., Inc., Oklahoma City.

■ Medco, Inc.
July 13, 1961 filed 125,000 class A common shares. Price
—By amendment. Business—The operation of jewelry
concessions in closed-door membership department
stores. Proceeds—For expansion. Office—1211 Walnut
St., Kansas City, Mo. Underwriters—Barret, Fitch,
North & Co., Inc. (managing) and Midland Securities
Co., Inc., Kansas City, Mo.

• Merchants Co.

June 19, 1961 ("Reg. A") \$300,000 of 6% convertible 15-year subordinated debentures due 1976 now being offered for subscription by stockholders for 14 days in units of \$100 each. Price—At par. Proceeds—For work-

ing capital. Office—300 E. Pine St., Hattiesburg, Miss. Underwriter—Lewis & Co., Jackson, Miss.

Micro-Lectric, Inc. (9/5)
June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). Price—\$4. Business—The manufacture and design of potentiometers used in computers, ground control guidance systems and missiles. Proceeds—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. Office—19 Debevoise Avenue, Roosevelt, N. Y. Underwriter—Underhill Securities Corp., New York.

July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). Price—\$3. Business—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. Proceeds—For expansion and working capital. Office—55 Ninth St., Brooklyn, N. Y. Underwriters—Manufacturers Securities Corp., New York (managing); Bioren & Co., Boenning & Co., Philadelphia, Chace, Whiteside & Winslow, Inc., Draper, Sears & Co., and Schirmer, Atherton & Co., Boston.

Microwave Semiconductor & Instruments Inc.
May 12, 1961 filed 120,000 shares of common stock.
Price—\$3 per share. Business—The research, development, manufacture and sale of microwave devices and instruments. Proceeds—For additional equipment, research, inventory and working capital. Office—116-06 Myrtle Avenue, Richmond Hill, N. Y. Underwriter—First Investment Planning Co., Washington, D. C.

Middle Atlantic Credit Corp.
July 27, 1961 filed \$120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of \$200 of debentures and 100 shares of stock. Price—\$500 per unit. Business—A commercial and industrial finance company. Proceeds—For working capital. Office—1518 Walnut St., Philadelphia. Underwriters—R. L. Sheinman & Co., and A. W. Benkert & Co., Inc., New York.

• Middle Atlantic Investment Co. (9/25)
June 22, 1961 filed 70,000 common shares. Price—\$10.
Business—An investment company. Proceeds—For investment and working capital. Address—Elkins Park, Pa. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Midwest Investors Fund, Inc.
July 17, 1961 filed 5,000,000 common shares. Price—By amendment. Business—A mutual fund. Proceeds—For investment. Office — 1815 First National Bank Bldg., Minneapolis. Underwriter — Midwest Planned Investments, Inc., Minneapolis.

• Midwest Technical Development Corp. (9/25-29) July 14, 1961 filed 800,000 common shares. Price—By amendment. Business — A small business investment company. Proceeds—For investment. Office—2615 First National Bank Bldg., Minneapolis. Underwriters—Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

★ Milo Components, Inc.
Aug. 15, 1961 ("Reg. A") 170,000 class A shares (par 10 cents). Price—\$1. Business—The manufacture of precision components, assemblies for aircraft, armaments, computers, floor waxers and industrial vacuum cleaners. Proceeds — For equipment, research and development, repayment of loans and working capital. Office — 9 Cleveland Street, Valley Stream, N. Y. Underwriter—Nelson Securities, Inc., Hempstead, N. Y.

Miner Industries, Inc.
Aug. 10, 1961 filed 120,000 common shares. Price—\$4.50.
Business—The manufacture of toys. Proceeds—For new products, advertising and working capital. Office—430 Southern Boulevard, New York. Underwriters—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minichrome, Inc. (8/30)
June 16, 1961 ("Reg. A") 150,000 common shares (par 15 cents). Price—\$1.15. Proceeds—For film processing machines, machinery installation and working capital. Office—980 W. 79th St., Minneapolis, Minn. Underwriter—Continental Securities, Inc., Minneapolis, Minn.

Minuit Investing Corp.

Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par \$1). Price—\$10.

Business—An investment company. Proceeds—For acquisitions, working capital and general corporate purposes. Office—225 Broadway, New York 7, N. Y. Underwriter—Pine Tree Securities, Inc., 225 Broadway, New York 7, N. Y.

Missile-Tronics Corp. (8/28)
May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). Price—\$1.50 per share.
Business—The manufacturers of technical equipment.
Proceeds — For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. Office—245 4th St., Passaic, N. J. Underwriter — Hopkins. Calamari & Co., Inc., 26 Broadway, New York, N. Y. Offering—Imminent.

• Missouri Fidelity Life Insurance Co. (9/11-15)
July 14, 1961 filed 200,000 common shares. Price—By
amendment. Business—A life insurance company. Proceeds—To be added to capital and surplus accounts.
Office—4221 Lindell Blvd., St. Louis. Underwriter—
A. C. Allyn & Co., Chicago (managing).

Missouri Utilities Co.
July 3, 1961 filed 50,676 common shares to be offered for subscription by stockholders on the basis of one new share for each 10 shares held. Price—By amendment. Proceeds—For repayment of loans and for expansion. Address—Cape Girardeau, Mo. Underwriter—Edward D. Jones & Co., St. Louis, Mo.

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Mite Corp. (9/29)

June 23, 1961 filed 325,000 capital shares. Price—By amendment. Business-The manufacture of mechanical, electro-mechanical and electronic equipment, including sewing machine attachments, small electric motors, Polaroid Land cameras, etc. Proceeds-For equipment, repayment of loans; research, development and engineering and general corporate purposes. Office—446 Blake St., New Haven, Conn. Underwriters—Kidder, Peabody & Co., New York and Charles W. Scranton & Co., New Haven, Conn. (managing).

Mobile Estates, Inc.

June 27, 1961 filed 140,000 common shares. Price-\$6. Proceeds—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. Office—26 Dalbert, Carteret, N. J. Under-writer—Harry Odzer Co., New York (managing).

Moderncraft Towel Dispenser Co., Inc.

March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. Price-\$4 per share. Business-The manufacture and sale of an improved towel dispensing cabinet. Proceeds-For advertising, research and development, payment of debt, and working capital. Office — 20 Main Street, Belleville, N. J. Underwriter—United Planning Corp., Newark, N. J.

• Mohawk Insurance Co. (9/1)

Aug. 8, 1960, filed 75,000 shares of class A common stock. Price-\$12 per share. Proceeds-For general funds. Office-198 Broadway, New York City. Underwriter-R. F. Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

Mon-Art. Inc.

June 26, 1961 ("Reg. A") 60,000 convertible preferred shares. Price-At par (\$5). Business-The manufacture of mosaic tile kits. Proceeds-For retirement of debt. increase of inventory and purchase of equipment. Office -1548 E. Grand Blvd., Detroit. Underwriter — Davis. Rowady & Nichols Inc., Detroit.

Mon-Dak Feed Lot, Inc.

July 17, 1961 filed 150,000 common shares. Price-\$3. Business—The breeding of livestock owned by others. Proceeds-For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. Address-Glendive, Mont. Underwriter -Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp.

Aug. 1, 1961 filed 200,000 shares of capital stock. Price— \$10. Business — A small business investment company. Office—First National Bank Bldg., Main St., Freehold, N. J. Underwriter—Meade & Co., New York.

Monticello Lumber & Mfg. Co., Inc.

April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price-\$4 per share. Business-The sale of lumber, building supplies and hardware. Proceeds—To repay loans and for working capital. Address—Monticello, N. Y. Underwriter—J. Laurence & Co., Inc., New York, N. Y.

Motor Coils Manufacturing Co.

July 27, 1961 filed 100,000 common shares. Price-\$6.50. Business—The manufacture of armature, stator and field coils. Proceeds-For repayment of loans, working capital and general corporate purposes. Office-110 Thirty-Second St., Pittsburgh. Underwriter-Golkin, Bomback & Co., New York.

★ Mountain Fuel Supply Co.

Aug. 7, 1961 filed \$18,000,000 of debentures due Sept. 1, 1986. Price-By amendment. Proceeds-For repayment of loans and general corporate purposes. Office-180 E. First South St., Salt Lake City, Utah. Underwriter—First Boston Corp., New York (managing). Offering-Expected in early Sept.

Movie Star, Inc.

Aug. 9, 1961 filed 200,000 class A shares. Price - By amendment. Business — The manufacture of women's clothing. Proceeds—For general corporate purposes. Office—392 Fifth Avenue, New York. Underwriter—Milton D. Blauner & Co., Inc., New York (managing).

* Multifax Co.

Aug. 11, 196 1("Reg. A") 15,000 common shares (no par). Price-\$10. Proceeds-For repayment of loans and purchase of equipment. Address-Easton, Md. Underwriter

Municipal Investment Trust Fund, First Pa.

Series April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price-To be supplied by amendment. Business-The fund will invest in tax-exempt bonds of the Commonweath of Pennsylvania and its political sub-divisions. Proceeds-For investment. Sponsor-Ira Haupt & Co., 111 Broadway, New York City. Offering-Expected in early September.

Municipal Investment Trust Fund, Series B April 28, 1961 filed \$12,750,000 (12,500 units) of interests. Price - To be supplied by amendment. Business - The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U.S. Proceeds-For investment. Sponsor—Ira Haupt & Co., 111 Broadway. New York City. Offering—Expected in early September.

Murray Magnetics Corp.

Aug. 15, 1961 filed 150,000 common shares. Price-\$6. Business-The financing, exploitation and sale of a new line of electric kitchen and household appliances. Proceeds—For the purchase of inventory, sales promotion and working capital. Office—230 Fifth Ave., New York. Underwriter-Amos Treat & Co., Inc., New York.

NAC Charge Plan and Northern Acceptance Corp.

(9/18)June 27, 1961 filed 33,334 class A common shares. Price -By amendment. Proceeds-For working capital. Office-16 East Pleasant St., Baltimore, Md. Underwriter -Sade & Co., Washington, D. C. (managing).

* Narrow Fabric Co.

Aug. 18, 1961 filed 212,000 common shares, of which 75,000 shares are to be offered by the company and 137,000 shares by stockholders. Price-By amendment. Business - The manufacture of braided, woven and knitted fabrics and production of coated and processed papers. Proceeds — For repayment of loans, expansion and working capital. Office—7th and Reading Aves., West Reading, Pa. Underwriter—Drexel & Co., Philadelephia (managing).

National Bowling Lanes, Inc.

July 21, 1961 filed 200,000 capital shares. Price-\$5.50. Business-The operation of bowling centers. Proceeds-For expansion, repayment of loans, and working capital. Office - 220 S. 16th Street, Philadelphia. Underwriter-Edward Lewis & Co., Inc., New York.

National Cleaning Contractors, Inc.

July 19, 1961 filed 200,000 oustanding common shares. Price - By amendment. Business - The maintenance of commercial buildings. Proceeds-For the selling stockholders. Office—60 Madison Avenue, New York. Underwriter—Bear, Stearns & Co., New York (managing).

National Hospital Supply Co., Inc.

June 22, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price-\$3. Business-The distribtuion of medical supplies. Proceeds-For inventory, advertising and promotion, expansion, repayment of loans and working capital. Office-38 Park Row, New York. Underwriters Edward Lewis & Co., Inc. and Underhill Securities Corp., New York (co-managers).

National Periodical Publications, Inc. (9/18) July 18, 1961 filed 500,000 common shares (par \$1). Price - By amendment. Business - Publishers of magazines and paperback books. Proceeds-For the selling stockholders. Office-575 Lexington Avenue, New York. Underwriters - Shearson, Hammill & Co., New York and Prescott, Shepard & Co., Inc., Cleveland (managing)

National Semiconductor Corp. (9/11-15)

May 11, 1961 filed 75,000 shares of capital stock. Price -To be supplied by amendment. Business—The design, development, manufacture and sale of quality transistors for military and industrial use. Proceeds equipment, plant expansion, working capital, and other corporate purposes. Office-Mallory Plaza Bldg., Danbury, Conn. Underwriters - Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis

Natpac Inc. (9/18)

July 28, 1961 filed 100,000 common shares. Price-\$4.75. Business—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. Proceeds -For consumer time payments, expansion, and working capital. Office - 93-25 Rockaway Blvd., Ozone Park, N. Y. Underwriters-William, David & Motti, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

New West Land Corp.
June 30, 1961 ("Reg. A") 200,000 common shares (par \$1). Price-\$1.50. Proceeds-For repayment of notes and acquisition of real estate interests. Office—3252 Broadway, Kansas City, Mo. Underwriter — Barret, Fitch, way, Kansas City, Mo. North & Co., Kansas City, Mo.

Nitrogen Oil Well Service Co. (9/5)

May 22, 1961 filed 100,000 shares of common stock. Prices—\$10 per share for 51,000 shares to be offered to Big Three Welding Company; \$10 per share for not less than 24,500 shares to be offered to holders (other than Big Three) of the outstanding common on the basis of one new share for each 11/5 shares held; and \$10.60 per any unsubscribed shares. Business-The company furnishes high pressure nitrogen to the oil and gas industry. Proceeds-For general corporate purposes, including \$880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. Office-3602 W. 11th St., Houston, Texas. Underwriter — Underwood, Neuhaus & Co., Inc., Houston, Texas.

★North Carolina Natural Gas Corp.

Aug. 17, 1961 filed \$2,250,000 of convertible second mortgage pipeline bonds due 1981. Price - By amendment. Proceeds-For repayment of loans, working capital and general corporate purposes. Cffice - Grace Fittman Bldg., Fayetteville, N. C. Underwriters-To be named.

North Electric Co.

March 30, 1961 filed 22,415 shares of common stock being offered for subscription by stockholders of record May 15 with rights to expire Aug. 25. Price-\$25. Business-This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. Proceeds—To repay loans and for working capital. Office-553 South Market St., Galion, Ohio. Underwriter

Nuclear Corp. of America

Aug. 11, 1961 filed 536,280 outstanding shares of capital stock, and \$2,087,800 of 51/2% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 300 shares held. Price-By amendment. Business-The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. Proceeds-For repayment of loans and working capital. Office-3540 W. Osborn Road, Phoenix. Underwriter - Bear, Stearns & Co., New York (managing).

NuTone, inc.

July 17, 1961 filed 375,000 outstanding common shares. Price—By amendment. Business—The manufacture of household appliances. Proceeds-For the selling stockholders. Office-Madison & Red Bank Roads, Cincinnati. Underwriter-Kidder, Peabody & Co., New York (managing)

Old Empire, Inc. (9/5)

May 1, 1961 filed \$800,000 of convertible subordinated depentures due 1971. Price — At par. Business — ine manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, cnemical and industrial specialties. Proceeds-For the repayment of bank loans, property improvements and working capital. Office—865 Mt. Prospect Avenue, Newark, N. J. Underwriter—Laird, Bissell & Meeds, New York City.

Olson Co. of Sarasota, Inc. April 26, 1961 ("Reg. A") 59,000 common shares (par \$1).

Price-\$5. Business-The manufacture of marine supplies and electronic equipment. Proceeds-To repay loans, purchase raw materials and equipment and increase working capital. Address-P. O. Box 2430, Sarasota, Fla. Underwriter-Jay Morton & Co., Inc., Sarasota (managing)

★ Orbit Industries, Inc. Aug. 22, 1961 filed 125,000 common shares. Price—\$4. Business - Research, development, engineering and manufacturing in the telephone, electronics and related fields. **Proceeds**—For repayment of loans, and equipment. **Office**—213 Mill St., N. E., Vienna, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Ore-Ida Foods, Inc.
June 29, 1961 filed 220,000 common shares of which 200,-000 will be sold by the company and 20,000 by stockholders. Price-By amendment. Business-The processing of raw potatoes into various packaged frozen products. Proceeds—For the repayment of debt, purchase of equipment, plant expansion and working capital. Office -Ontario, Ore. Underwriter - Kidder, Peabody & Co., New York (managing).

Ormont Drug & Chemical Co., Inc.

May 2, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). Price-\$3 per share. Business-Manufacturers of drugs. Proceeds-For expansion, and working capital. Office-38-01 23rd Ave., Long Island City, N. Y. Underwriter—Havener Securities Corp., New York, N. Y. Offering-Imminent.

Osrow Products Co., Inc.
July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). Price-\$5. Business-The manufacture of car and window washing equipment. Proceeds-For working capital, research and development, new products and general corporate purposes. Office—115 Hazel Street, Glen Cove, L. I., N. Y. Underwriter—General Securities Co., Inc., New York.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. Price-\$6. Business—The manufacture of steel products. Proceeds-For the selling stockholder. Office-35124 Alvarado-Niles Road, Union City, Calif. Underwriters-First California Co., Inc., and Schwabacher & Co., San Francisco (managing).

Palmetto Pulp & Paper Corp.

June 28, 1961 filed 1,000,000 common shares. Price-\$3.45. Business—The growth of timber. Proceeds—For working capital and the possible purchase of a mill. Address-P. O. Box 199, Orangeburg, S. C. Underwriter -Stone & Co.

Pan-Alaska Fisheries, Inc.

July 26, 1961 filed 120,000 common shares. Price - By amendment. Business - The processing of Alaska king crab. Proceeds-For acquisition of fishing boats, equipment and working capital. Office-Dexter Horton Bldg., Seattle. Underwriter-Robert L. Ferman & Co., Inc., New York (managing).

* Panoramic Electronics, Inc.

Aug. 17, 1961 filed 120,000 common shares, of which 90,000 shares are to be offered by the company and 30,000 shares by stockholders. Price-By amendment. Business-The manufacture of electronic test measurement and monitoring instruments. Proceeds-For acquisition of property and construction of a new plant, laboratory, equipment and working capital. Office-520 S. Fulton Ave., Mount Vernon, New York. Underwriter-Hayden, Stone & Co., New York (managing).

Pargas, Inc.

Aug. 3, 1961 filed 150,000 common shares, of which 75,-000 will be sold by the company and 75,000 by a stockholder. Price—By amendment. Business — The sale of liquified petroleum gas and equipment. Proceeds—For general corporate purposes. Office—Waldorf, Md. Underwriter — Kidder, Peabody & Co., Inc., New York (managing).

Parish (Amos) & Co., Inc. (9/18)
June 23, 1961 filed 208,000 outstanding common shares. Price—By amendment. Business—Business advisors and consultants to specialty and department stores. Proceeds —For the selling stockholders. Office—500 Fifth Avenue, New York. Underwriter—The James Co., New York.

Patent Resources, Inc. (9/5-8) May 24, 1961 filed 150,000 shares of common stock, Price -To be supplied by amendment. Business-The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. Proceeds-For general corporate purposes. Office - 608 Fifth Ave., New York City. Underwriters—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

* Pavelle Corp.

Aug. 22, 1961 filed 200,000 common shares. Price-By amendment. Business-Research and development in the field of color photography and the manufacture of com-

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mercial color photographic processing equipment. Proceeds-For expansion, research and repayment of loans. Office-Time & Life Bldg., Rockefeller Center, New York. Underwriter-Bear, Stearns & Co., New York.

Pellegrino Aggregate Technico, Inc. Aug. 10, 1961 filed 130,000 class A common shares. Price \$5. Business—The manufacture of building materials. Proceeds—For payment of income taxes and loans and for working capital. Office—Woodbridge-Carteret Road, Port Reading, N. J. Underwriter-Mortimer B. Burnside & Co., Inc., New York.

Photo-Animation, Inc. (9/13)
July 26, 1961 filed 150,000 common shares. Price—\$1.25. Business-The manufacture of machines, equipment and devices used in the creation of animated motion pictures. Proceeds—For development of new products, repayment of loans and working capital. Office — 34 S. West St., Mount Vernon, N. Y. Underwriter-First Phila-

delphia Corp., New York. Photographic Assistance Corp. June 27, 1961 filed 150,000 common shares. Price-\$1. Proceeds—For expansion, equipment and working capital. Office—1335 Gordon St., S. W., Atlanta, Ga. Underwriters-Globus, Inc., and Harold C. Shore & Co., Inc. New York (managing).

Pickwick International, Inc. July 27, 1961 filed 100,000 common shares. Price - \$3. Business-The distribution of phonograph records. Proceeds—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. Office — 8-16 43rd Ave., Long Island City, N. Y. Underwriter—William, David & Motti, Inc., New York.

Pickwick Recreation Center, Inc. April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). Price-\$3 per share. Proceeds —To pay for construction, working capital and, general corporate purposes. Office—921-1001 Riverside Drive, Burbank, Calif. Underwriter-Fairman & Co., Los Angeles, Calif. Offering-Expected in September.

Pioneer Astro Industries, Inc. July 27, 1961 filed 150,000 common shares. Price - By amendment. Business - The manufacture of precision machined components and assemblies for missile guidance systems. Proceeds — For a new plant, additional equipment and working capital. Office—7401 W. Lawrence Ave., Chicago. Underwriter—Francis I. du Pont & Co., New York (managing).

Plasticon Corp. (9/7) May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's \$1,200,000 of 5% promissory notes. Price - \$3 per share, in all cases Business—The manufacture of large plastic containers. Proceeds—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. Office — Minneapolis, Minn. Underwriter-None.

Playskool Manufacturing Co. Aug. 11, 1961 filed 135,000 common shares, of which 60,-000 shares are to be offered by the company and 75,000 shares by stockholders. Price—By amendment. Business—The manufacture of toys. Proceeds—For repayment of loans. Office-3720 North Kedzie Avenue, Chicago. Underwriter-Lehman Brothers, New York.

Polytronic Research, Inc. (9/18) June 7, 1961 filed 193,750 common shares, of which 150,-000 will be sold for the company and 43,750 for stockholders. Price-By amendment. Business-Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic devices for an artist, many electronic vending machines and language teaching machines. Proceeds—For expansion, repayment of debt and working capital. Office—7326 Westmore Rd., Rockville, Md. Underwriters—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. (managing).

Precision Circuits, Inc. 10 cents). Price-\$1.15. Proceeds-For a new building, equipment and working capital. Office-2532-25th Ave., S., Minneapolis. Underwriter-Naftalin & Co., Inc., Min-

* Precision Microwave Corp. Aug. 21, 1961 filed 165,000 common shares, of which 115,000 shares are to be offered by the company and 50,000 shares by stockholders. Price-\$10. Business-The manufacture of specialized microwave components for rada", missiles and communication systems. Proceeds -For working capital, inventories and equipment. Office Main Street. Millis, Mass. Underwriter-Peter Morgan & Co., New York.

Premier Albums, Inc.
July 31, 1961 filed 120,000 common shares. Price—\$5.
Business—The manufacture of long-playing stereophonic and monaural phonograph records. Proceeds-For acquisition of facilities, marketing of new stereophonic records and working capital. Office—356 W. 40th St., New York. Underwriter—Gianis & Co., New York.

Prep Products, Inc. July 6, 1961 ("Reg. A") 1,400 common shares. Price—At par (\$100). Proceeds—For royalty payments on leases, repayment of debt and working capital. Address-Highway 20, Thermopolis, Wyo. Underwriter—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

President Airlines, Inc.
June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). Price-\$2. Business-Air transportation of passengers and cargo. Proceeds-For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. Office — 630 Fifth Avenue, Rockefeller Center, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

Prevor-Mayrsohn International, Inc. July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3.75. Business—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. Proceeds-For expansion, sales promotion, advances to growers, working capital and general corporate purposes. Office - 99 Hudson Street, New York. Underwriter-J. J. Krieger & Co., Inc., New York.

* Producing Properties, Inc. Aug. 17, 1961 filed 600,000 common shares. Price-By amendment. Business-The acquisition and operation of oil properties. Proceeds-For working capital. Office-35th floor Southland Center, Dallas. Underwriter—Hemphill, Noyes & Co., New York (managing).

Product Research of Rhode Island, Inc. July 28, 1961 filed 330,000 common shares. Price-\$2.05. Business - The manufacture of vinyl plastic products used in the automotive, marine and household fields. Proceeds-For repayment of debt, new equipment and working capital. Office - 184 Woonasquatucket Avenue, Nort Providence, R. I. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

Progress Industries, Inc. June 26, 1961 filed 75,000 common shares (with warrants) of which 55,000 shares will be sold by the company and 20,000 by stockholders. Price-\$10. Proceeds-For the payment of debt, the establishment of a new subsidiary, plant improvements and working capital. Office—400 E. Progress St., Arthur, Ill. Underwriter— Tabor & Co., Decatur, Ill. (managing).

• Progressitron Corp.

June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—Manufacturers of electronic, electro mechanical and mechanical devices. Proceeds-For general corporate purposes. Office-14-25 128th St., College Point, N. Y. Underwriter-Netherlands Securities Co., New York.

Publishers Vending Services, Inc. July 3, 1961 filed \$600,000 of 5½% convertible sub-ordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at \$7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at \$10 per share. The securities are to be offered for public sale in units of one \$100 debenture, 20 first warrants and 20 second warrants. Price—\$100 per unit. Business—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. Proceeds-For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. Office—1201 South Clover Drive, Minneapolis. Underwriter-D. H. Blair & Co., New York.

• Rabin-Winters Corp. (9/4)
June 19, 1961 filed 180,000 common shares of which 80,-000 shares are to be offered by the company and 100,000 shares by stockholders. Price-By amendment. Business-The manufactuer of pharmaceuticals, cosmetics, lighter fluid and related items. Proceeds-To repay loans and for working capital. Office-700 N. Sepulveda Boulevard, El Segundo, Calif. Underwriter-H. Hentz & Co., New York.

Raymond Engineering Laboratory, Inc. Aug. 15, 1961 filed 100,000 common shares, of which 50,-000 shares are to be offered by the company and 50,000 shares by stockholders. Price-By amendment. Business -The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. Proceeds-For repayment of loans, equipment, and working capital. Office-Smith Street, Middletown, Conn. Underwriter - Lee Higginson Corp., New York (managing).

Real Properties Corp. of America July 25, 1961 filed 365,000 class A shares. Price-\$10. Business—A real estate investment company. Office—1451 Broadway, New York. Underwriter—Stanley Heller & Co., New York City (managing).

* Realtone Electronics Corp. Aug. 16, 1961 filed 100,000 common shares. Price-\$4. Business — The marketing of transistorized radios and related equipment. Proceeds-Repayment of loans and general corporate purposes. Office—71 Fifth Ave., New York. Underwriter — Lieberbaum & Co., New York (managing).

Red Wing Fiberglass Products, Inc. July 28, 1961 ("Reg. A") 260,000 common shares (par 25 cents). Price-\$1.15. Proceeds-For repayment of debt, building improvements, equipment, research and development, and working capital. Office-Industrial Park, Red Wing, Minn. Underwriter-York & Mavroulis, Min-

Redman Manufacturing & Engineering Co. Aug. 9, 1961 filed 70,000 common shares, of which 35,000 shares are to be offered by the company and 35,000 shares by stockholders. Price—By amendment. Business The manufacture of moulds used by the plastic and container and packaging industry. Proceeds-For repayment of loans, equipment, working capital and a new plant. Office-1630 Oakland, Kansas City, Mo. Underwriter-Stern Brothers & Co., Kansas City, Mo. (man-

Reeves Broadcasting & Development Corp.

June 16, 1961 filed \$2,500,000 of convertible debentures. Price-At par. Business-The operation of TV stations and recording studios and the development of real estate properties in North Carolina. Proceeds-For expansion, the repayment of loans, for working capital and other corporate purposes. Office—304 E. 44th St., New York. Underwriter-Laird & Co., Corp., Wilmington, Del. (managing).

Regal Homes, Inc. Aug. 15, 1961 filed 51,000 capital shares. Price-\$12. Business-For construction and sale of "shell" homes and mortgage financing. Proceeds-For working capital. Address-Hopkinsville, Ky. Underwriter-J. J. B. Hilliard & Sons, Louisville.

Reher Simmons Research Inc. (9/25) May 8, 1961 filed 150,000 shares of capital stock. Price-\$6 per share. Business—The research and development of processes in the field of surface and biochemistry. Proceeds-For plant construction, equipment, research and development, sales promotion and working capital. Office—545 Broad St., Bridgeport, Conn. Underwriter -McLaughlin, Kaufmann & Co., (managing).

Republic Aviation Corp. (8/29) July 11, 1961 filed 214,500 outstanding common shares. Price-By amendment. Business-The manufacture of airplanes and ground support equipment. Proceeds-For the selling stockholder. Address — Farmingdale, L. I., N. Y. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

Rexach Construction Co., Inc. July 28, 1961 filed \$1,500,000 of 61/2% sinking fund debentures (with warrants) due 1976 and 105,000 outstanding common shares. Price-By amendment. Business-The construction of highways, buildings and homes. Proceeds-For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. Address-San Juan, Puerto Rico. Underwriters - P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (managing).

* Rillito Race Track, Inc. Aug. 14, 1961 ("Reg. A") 150,000 common shares (no . Price-\$2. Proceeds-For repayment of debt and working capital. Address-Route 4, Box 29, Tucson, Ariz. Underwriter-None.

• Riverview ASC, Inc. (9/5)
May 18, 1961 ("Reg. A") 100,000 common shares. Price \$3. Business-Real estate and utility development in Florida. Proceeds — For expansion. Office — 2823 So. Washington Ave., Titusville, Fla. Underwriter—Albion Securities Co., Inc., New York.

Ro Ko, Inc. Aug. 7, 1961 filed 120,000 class A common shares. Price -\$5. Business-The manufacture of stuffed toys. Proceeds-For down payments on the purchase of buildings, equipment and expansion. Office-3115 E. 12th St., Kansas City, Mo. Underwriters-Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (manag-

Reanwell Corp. (9/5) July 11, 1961 filed 150,000 shares of common stock of which 50,000 will be sold by the company and 100,000 by stockholders. Price-By amendment. Business-The manufacture of electro-acoustical transducers in the voice communications field. Proceeds — For additional equipment, working capital and other corporate purposes. Office-180 Varick St., New York. Underwriter-Paine, Webber, Jackson & Curtis, New York. Offering-Expected in early September.

• Roberts Lumber Co. (9/5) June 28, 1961 filed 55,000 common shares of which 20.000 shares are to be offered by the company and 35,000 shares by a selling stockholder. Price—By amendment. Business—The sale of building materials. Proceeds—For repayment of a loan and working capital. Office-2715 Market Street, Wheeling, W. Va. Underwriter-Arthurs, Lestrange & Co., Pittsburgh, Pa. (managing).

Robins Industries Corp. July 27, 1961 filed 100,000 common shares. Price-\$2.50. Business—The manufacture of products in the electronic sound and recording field. Proceeds-For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. Office -Prince St., Flushing, N. Y. Underwriter—Carroll Co., New

Rocky Mountain Matural Cas Co., Inc. (9/12) July 10, 1961 filed \$1,500,000 of sinking fund debentures due 1981 (with attached warrants) and 150,000 common shares to be offered in 75,000 units, each consisting of \$20 of debentures (with an attached warrant) and two common shares. Price-By amendment. Proceeds-For construction and general corporate purposes. Office-1726 Champa St., Denver. Underwriter-Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

Roddy Recreation Products, Inc. July 31, 1961 ("Reg. A") 100,000 common shares (par \$1). Price—\$3. Proceeds—For repayment of debt. Office—1526 W. 166th St., Gardeng, Calif. Underwriter—Harbison & Henderson, Los Angeles.

Rodney Metals, Inc. (9/7) June 30, 1961 filed 140,000 common shares. Price-\$10. Proceeds - For the repayment of debt and other corporate purposes. Office—261 Fifth Ave., New York. Underwriter—Amos Treat & Co., Inc., New York (manag-

* Roph Associates, Inc. Aug. 10, 1961 ("Reg. A") 75,000 common shares (par five cents). Price—\$4. Business—The sale of freezers and food plans. Proceeds-For inventory, a food dept, adverma Ne Ju ce

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tising and promotion and general corporate purposes. Office-300 Northern Boulevard, Great Neck, N. Y. Underwriter-David Barnes & Co., Inc., New York.

Ross Products, Inc.

July 14, 1961 filed 200,000 common shares, of which 100,000 shares are to be offered by the company and 100,000 shares by the stockholders. Price-By amendment. Business-The importing and distributing of general merchandise. Proceeds-For repayment of debt, expansion and general corporate purposes. Office-1107 Broadway, New York. Underwriters-Blair & Co. and F. L. Rossman & Co., New York

Royal Land & Development Corp.

Aug. 2, 1961 filed 2,000,000 class A common shares. Price -\$1. Business — General real estate and construction. Proceeds-For construction and general corporate purposes. Office-400 Stanley Ave., Brooklyn, N. Y. Underwriter-Lieberbaum & Co., New York (managing)

• Royal School Laboratories, Inc. (9/5) June 23, 1961 filed 170,000 common shares. Price-\$5. Business-The manufacture of special purpose laboratory furniture for schools. Proceeds - For expansion, general corporate purposes and working capital. Office -Meadow & Clay Sts., Richmond, Va. Underwriter-B. N. Rubin & Co., Inc., New York.

• Rudd-Melikian, Inc. (9/15) June 16, 1961 filed 130,000 common shares. Price-\$10. Business-The manufacture of automatic coffee dispensers and similar items. Proceeds-For repayment of loans, promotion and manufacture of a new product, working capital and general corporate purposes. Office - 300 Jacksonville Road, Hatboro, Pa. Underwriter-Stearns & Cu., New York.

• S. O. S. Photo-Cine-Optics, Inc. (9/5)

June 29, 1961 filed \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of \$10 of debentures and 10 common shares. Price-\$40 per unit. Business-The manufacturing, renting and distributing of motion picture and television production equipment. Proceeds-For new equipment, advertising, research and development, working capital and other corporate purposes. Office—602 W. 52nd St., New York. Underwriter — William, David & Motti, Inc., New York.

Sairo Manufacturing Corp. Aug. 2, 1961 ("Reg. A") 72,000 common shares (par 10 cents). Price-\$3.50. Business-Manufacture of metal purses and handbag frames. Proceeds-For purchase of machinery and equipment, working capital and general corporate purposes. Office-413 Thatford Ave., Brooklyn, N. Y. Underwriter-I. R. E. Investors Corp., Levittown, New York.

• Sav-Mor Oil Morp. (10/2-6) July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). Price-\$2.50. Business-Wholesale distribution of gasoline and oil to service stations. Proceeds-For expansion. Office-151 Birchwood Park Dr., Jericho, L. I., N. Y. Underwriter-Armstrong & Co., Inc., New York.

Save-Tax Club, Inc. July 6, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. Proceeds-For salaries to salesmen, advertising, public relations, additional employees, and working capital. Office-135 W. 52nd St., New York. Underwriter-B. G. Harris & Co., Inc., New York.

Scot's Discount Enterprises, Inc. July 21, 1961 filed 175,000 common shares. Price-\$2.25. Business-The retail sale of merchandise at a low markup. Proceeds—For new stores, inventory, and working capital. Addres:—East Windsor, Conn. Underwriter— Willis E. Burnside & Co., Inc., New York.

• Second Financial, Inc. (9/18)

June 20, 1961 filed 100,000 common shares. Price-\$3. Business - The purchase of notes, mortgages, contracts, etc., from Shell Home Builders. Proceeds-For investment. Office-2740 Apple Valley Road, N. E., Atlanta, Ga. Underwriter-Globus, Inc., New York.

Security Acceptance Corp. (8/30) March 7, 1961 filed 100,000 shares of class A common stock and \$400,000 of 71/2 % 10-year debenture bonds, to be offered in units consisting of \$100 of debentures and 25 shares of stock. Price—\$200 per unit. Business—The purchase of conditional sales contracts on home appliances. Proceeds - For working capital and expansion. Office-724 9th St., N. W., Washington, D. C. Underwriter-None.

* Seeburg Corp. Aug. 18, 1961 filed 303,812 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. Price-By amendment. Business - The manufacture of coin-operated phonographs and other vending equipment. Proceeds-For repayment of loans and the financing of receivables and inventories. Office-1500 N. Dayton St., Chicago. Underwriter-White, Weld & Co., New York (managing).

• Semicon, Inc. (9/25) June 30, 1961 filed 125,000 class A common shares. Price -By amendment. Business-The manufacture of semiconductor devices for military, industrial and commercial use. Proceeds-For equipment, plant expansion and new products. Address-Sweetwater Avenue, Bedford, Mass. Underwriter-S. D. Fuller & Co., New York (managing). Offering—In early September,

Shasta Minerals & Chemical Co. (10/2)

April 24, 1961 filed 500,000 shares of common stock. Price-\$2.50 per share. Business-Acquisition, development, and exploration of mining properties. Proceeds— For general corporate purposes. Office — 1406 Walker Bank Bldg., Salt Lake City, Utah. Underwriter-None.

* Shaw-Barton, Inc.

Aug. 15, 1961 filed 100,000 outstanding common shares. Price-By amendment. Business-The manufacture of calendars and specialty advertising. Proceeds-For the selling stockholders. Address-Coshocton, Ohio. Underwriter-Cruttenden, Podesta & Co., Chicago (manag-

Shepard Airtronics, Inc.

April 26, 1961 (letter of notification) 75,000 shares of common stock (par one cent). Price - \$4 per share. Business—The manufacture of high altitude breathing and ventilation equipment. Proceeds-For repayment of loans; new equipment, research and development, plant improvement, purchase of inventory, advertising and working capital. Office — 787 Bruckner Boulevard, Bronx, N. Y. Underwriters—L. C. Wegard & Co., 28 West State St., Trenton, N. J. (managing); L. J. Termo & Co., Inc., New York and Copley & Co., Colorado Springs, Colo.

Shulton, Inc. July 21, 1961 filed 50,000 class A and 50,000 class B common shares. Price-By amendment. Business-The manufacture of toiletries and household chemical products. Proceeds-For general corporate purposes. Address -697 Route 46, Clifton, N. J. Underwriter-Smith, Barney & Co., New York (managing).

Siegel (Henry I.) Co., Inc.

July 27, 1961 filed 270,000 class A shares (par \$1), of which 135,000 shares are to be offered by the company and 135,000 shares by stockholders. Price-By amendment. Busines: - The manufacture of men's and boys' sportswear. Proceeds - For repayment of loans, equipment, working capital and other corporate purposes. Office—230 Fifth Ave., New York. Underwriter—Shearson, Hammill & Co., New York (managing).

★ Sma'l Business Investment Co. of New York, Inc. Aug. 22, 1961 filed 875,000 common shares. Price—By amendment. Business - A small business investment company. Proceeds-For investment in and loans to small business. Office-40 Beaver St., Albany, N. Y. Underwriter-Dillon, Read & Co., Inc., New York.

* Smyth Worldwide Movers, Inc.

Aug. 10, 1961 ("Reg. A") 85,106 common shares (par \$1). Pri e-\$2.35. Proceeds-For working capital. Office 11616 Aurora Avenue, Seattle. Underwriter-Blanchett, Hinton, Jones & Granat, Inc., Seattle.

Southern Belle Electrical Industries, Inc. July 25, 1961 ("Reg. A") 50,000 common shares (par 10 cents). Price-\$4. Proceeds-For repayment of loans, purchase of machinery and inventory, building construction and working capital. Office -Court, Hialeah, Fla. Underwriters - Aetna Securities Corp., New York; Roman & Johnson, Fort Lauderdale, Fla. and Guardian Securities Corp., Miami, Fla.

Southern Diversified Industries, Inc. Aug. 8, 1961 filed 250,000 common shares. Price-\$5.50. Business - The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. Proceeds-For repayment of debt, purchase of merchandise and operating expenses. Office — 3690 Northwest 62nd St., Miami, Fla. Underwriter — Netherlands Securities Co., Inc., New York.

• Southern Growth Industries, Inc. (9/11) June 28, 1961 filed 100,000 common shares. Price-\$6. Business-A small business investment company. Proceeds-For investment. Office-Poinsett Hotel Building, Greenville, S. C. Underwriter—Capital Securities Corp., Greenville, S. C.

Southern Realty & Utilities Corp. (8/30) May 26, 1961 filed \$3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of \$500 of debentures and warrants for five common shares. Price -At 100% of principal amount. Business—The development of unimproved land in Florida. Proceeds-For the repayment of debt, the development of property, working capital and other corporate purposes. Office-1674 Meridian Avenue, Miami Beach, Fla. Underwriters -Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

• Spectron, Inc. (9/5) June 9, 1961 filed 83,750 class A common shares (par 10 cents). Price-\$4.50. Business-The design, development and manufacture of electronic systems, instruments and equipment, including microwave, radar and underwater communication devices. Proceeds - For purchase of equipment, plant expansion, patent development and general corporate purposes. Office—812 Ainsley Bldg., Miami, Fla. Underwriter—Hampstead Investing Corp., New York (managing)

Spencer Laboratories, Inc. May 1, 1961 (letter of notification) 1,624 shares of class A common stock (no par) to be offered for subscription by stockholders on the basis of four shares for each five shares held, with the unsubscribed shares to be sold to the public. Price-To stockholders, \$100 per share; to the public, \$110 per share. Business-Manufacturers of Pharmaceuticals. Proceeds - For testing new products, inventories; marketing and general corporate purposes. Office—10 Pine St., Morristown, N. J. Underwriter—E. T. Andrews & Co., Hartford, Conn.

Star Homes, Inc. June 28, 1961 filed \$500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of \$50 of debentures and 20 common shares. Price-\$100 per unit. Business-The construction and sale of shell homes. Proceeds-For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. Office
—336 S. Salisbury Street, Raleigh, N. C. Underwriter— D. E. Liederman & Co., Inc., New York (managing).

Sterling Electronics, Inc.

July 24, 1961 filed 125,200 common shares, of which 82,000 shares are to be offered by the company and 43,-200 shares by stockholders. Business-The distribution of electronic parts and equipment. Proceeds-For repayment of loans and working capital. Office-1616 Mc-Kinley, Houston, Texas. Underwriter-S. D. Fuller & Co., New York (managing).

Sterling Seal Co.

Aug. 2, 1961 filed 112,300 common shares of which 20,000 shares are to be offered by the company and 92,300 shares by the stockholders. Price—By amendment. Business-The design, lithographing and stamping of metal caps or closures for containers. Proceeds—For working capital. Office—316 W. 16th St., Erie, Pa. Underwriters— Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., New York (managing).

Stratton Corp. (9/25)

March 3, 1961 filed \$650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981, Price—At 100% of principal amount. Business—The development and operation of a winter and summer recreational resort on Stratton Mountain is southern Vermont. Proceed3-For construction. Office-South Londonderry, Vt. Underwriter-Cooley & Co., Hartford, Conn.

Strouse, Inc. (9/5)

June 27, 1961 filed \$600,000 of 6% convertible subordinated debentures due 1981, Price-At par. Proceeds-For plant expansion, working capital and other corporate purposes. Office - Basin and Cherry Sts., Norristown, Pa. Underwriter-H. A. Riecke & Co., Philadelphia (managing).

Sun Valley Associates

March 30, 1961 (letter of notification) \$205,000 of limited partnership interests to be offered in units of \$5,000, or fractional units of not less than \$2,500. Proceeds—For working capital. Address - Harlingen, Texas. Underwriter-Nat Berger Associates, Inc., New York City.

• Supronics Corp. (9/5-8) May 29, 1961 filed 90,000 shares of common stock. Price -To be supplied by amendment, Business-The company is engaged in the distribution of wholesale electrical equipment and supplies. Proceeds - For the repayment of bank loans and other corporate purposes. Office—224 Washington St., Perth Amboy, N. J. Underwriters—Amos Treat & Co., Inc., and Standard Secu-rities Corp., both of New York City and Bruno-

Lenchner, Inc., Pittsburgh, Pa. Swingline Inc. (10/16)

June 14, 1961 filed 200,000 outstanding class A common shares. Price—By amendment. Business—The manufacture of stapling machines. Proceeds — For the selling stockholders. Office—32-00 Skillman Ave., Long Island City, New York, Underwriter-Paine, Webber, Jackson & Curtis, New York (managing). Offering—Expected in late September.

• T. F. H. Publications, Inc. (9/11)

June 22, 1961 ("Reg. A") 60,000 common shares (par 10 cents). Price \$5. Business—The publishing of books, pamphlets and magazines. Proceeds—For repayment of loans, production of new garden books, installation of air-conditioning and working capital. Office—245-247 Cornelison Ave., Jersey City, N. J. Underwriter—Arnold Malkan & Co., Inc., New York.

• T-Bowl International, Inc. (8/28-9/1) June 15, 1961 filed 400,000 common shares, of which 325,000 shares are to be offered by the company and 75,000 shares by stockholders. Price-By amendment, Business-The operation of bowling centers. Proceeds-For expansion. Office-27 B Boulevard, East Paterson, N. J. Underwriter-Peter Morgan & Co., New York.

• T. V. Development Corp. (9/7) May 26, 1961 filed 100,000 shares of common stock. Price -\$5 per share. Business—The manufacture and sale of replacement knobs for television sets. Proceeds-For the repayment of debt, the expansion of product lines and working capital. Office-469 Jericho Turnpike, Mineola, Underwriters - Kesselman & Co., and Brand, N. Y. Grumet & Seigel, Inc., New York (managing).

 Taddeo Bowling & Leasing Corp. March 31, 1961 filed \$600,000 of 8% convertible subordinated debentures due 1971, 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of \$240 of debentures, 50 common shares and 20 warrants. Price - \$640 per unit. Business - The construction of bowling centers. Proceeds-For construction and working capital. Office-873 Merchants Road, Rochester, N Y. Underwriter-Lomasnev, Loving & Co., New York City (managing). Note-This statement is being withdrawn.

• Taft Broadcasting Co.
May 26, 1961 filed 376,369 outstanding shares of common stock to be offered for public sale by the present holders thereof. Price—To be supplied by amendment. Business—The operation of TV and radio broadcasting stations. Proceeds-For the selling stockholders. Office —1906 Highland Avenue, Cincinnati, Ohio. Underwriter
 —Harriman Ripley & Co., Inc., New York City (managing.) Note-This registration is being withdrawn.

 Tassette, Inc. Feb. 15, 1961 filed 200,000 shares of class A stock. Price -\$12 per share. Business-The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. Proceeds-For advertising and promotion, market development, medical research and administrative expenses. Office-170 Atlantic St., Stamford, Conn., Underwriter-Amos Treat & Co., Inc., New York City (managing); Bruno-Lenchner, Inc., Pittsburgh; and Karen Securities Corp., New York City. Offering—Imminent.
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Tastee Freez Industries, Inc.

July 12, 1961 filed 350,000 common shares, of which 200,000 shares are to be offered by the company and 150,000 shares by a stockholder. Price—By amendment. Business—The franchising and supplying of stores with a soft ice cream product and selected food items. Proceeds—For acquisition of properties and working capital. Office—2518 W. Montrose Ave., Chicago. Underwriter—Bear Stearns & Co., New York (managing).

Tax-Exempt Public Bond Trust Fund, Series 2
Feb. 23, 1961 filed \$10,000,000 (100,000 units) ownership certificates. Price—To be filed by amendment. Business—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—135 South La Salle Street, Chicago. Sponsor—John Nuveen & Co., Chicago.

June 12, 1961 filed \$2,420,000 of limited partnership interests. Price—\$10,000 per unit. Business—The partnership will acquire all the outstanding stock of five apartment houses in Newark, East Orange and Jersey City, N. J. Proceeds—For general corporate purposes. Office—420 Lexington Ave., New York City. Underwriter—Nat Berger Associates, Inc., New York.

Technifoam Corp.

Aug. 14, 1961 filed 110,000 common shares. Price—\$8.

Business—The manufacture of machinery for producing polyurethane foam. Proceeds—For repayment of loans, equipment, foreign investments and working capital.

Office—717 Fifth Avenue, New York. Underwriter—Sterns & Co., New York (managing)

June 9, 1961 ("Reg. A") 100,000 class A common shares (par one cent). Price—\$3. Business—The manufacture of coin-operated vending machines. Proceeds—For repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. Office—599 Tenth Avenue, New York. Underwriter—International Services Corp., Paterson, N. J.

Telecredit, Inc.
July 24, 1961 filed 155,000 common shares. Price—\$1.
Business—The development of high-speed electronic data processing systems. Proceeds—For organizational expenses, establishment of service centers and reserves.
Office—100 W. 10th Street, Wilmington, Del. Underwriter—Globus, Inc., New York (managing).

Telephones, Inc. (9/11-15)
July 26, 1961 filed 250,000 common shares, of which 200,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—A holding company with eight telephone subsidiaries. Office—135 So. La Salle St., Chicago. Underwriters—Hayden, Stone & Co., New York and McCormick & Co., Chicago.

TelePrompTer Corp. (9/5)
July 6, 1961 filed \$5,000,000 of convertible subordinated debentures due 1976. Price—By amendment. Business—The manufacture of communication systems and equipment. Proceeds—For repayment of loans and working capital. Office—50 W. 44th St., New York. Underwriter—Bear, Stearns & Co., New York (managing).

Televise Corp.

Aug. 8, 1961 filed 97,400 common shares, of which 60,000 shares are to be offered by the company and 37,400 shares by stockholders. Price—By amendment. Business—The manufacture of electronic and electro-mechanical apparatus used as ground to air aids to aircraft navigation. Proceeds—For repayment of loans, purchase of a plant and working capital. Office — Wheeling & Exchange Roads, Wheeling, Ill. Underwriter—Kalman & Co., St. Paul (managing).

June 2, 1961 ("Reg. A") 100,000 common shares (par 25 cents). Price—\$3. Business—Licenses patents to diemakers and metal parts manufacturers. Proceeds—For working capital and general corporate purposes. Office—701 Atkins Ave., Brooklyn 8, N. Y. Underwriter—Levien, Greenwald & Co., New York.

Templeton Damroth Corp. (9/1)
March 30, 1961 filed \$445,000 of 5½% convertible debentures, due 1969. Price — 100% of the principal amount. Business — The management and distribution of shares of four investment companies, and also private investment counselling. Proceeds—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. Office—630 Third Avenue, New York City. Underwriter—Hecker & Co., Philadelphia, Pa.

Tennessee Investors, Inc.

May 16, 1961 filed 500,000 shares of common stock to be publicly offered, and 4.206 common shares to be offered to holders of the outstanding common on the basis of one new share for each nine shares held. Prices—\$12.50 per share for the public offering and \$11.40 per share for the rights offering. Business—A small business investment company. Proceeds—To finance the company's activities of providing equity capital and long term loans to small business concerns. Office—Life and Casualty Tower, Nashville, Tenn. Underwriter—Paine, Webber, Jackson & Curtis, New York City (managing).

Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. Price—For the company's

shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. Business — The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. Proceeds—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. Office—11-11 34th Ave. Long Island City, L. I., N. Y. Underwriter — (For the company's shares only) Greenfield & Co., Inc., New York City.

Texas Capital Corp. (9/5-8)
June 16, 1961 filed 1,000,000 common shares. Price—By amendment. Business — A small business investment company. Proceeds — For investment. Office — 104 E. Eighth St., Georgetown, Tex. Underwriter — Dempsey-Tegeler & Co., Inc., St. Louis.

Textilfoam, Inc.
June 23, 1961 filed 130,000 common shares of which 100,-000 shares are to be offered by the company and 30,000 shares by the stockholders. Price—By amendment. Business — The lamination of a synthetic foam to fabrics. Proceeds—For expansion, working capital and general corporate purposes. Office—200 Fair St., Palisades Park, N. J. Underwriters—Flomenhaft, Seidler & Co., Inc., and Street & Co., Inc., New York (managing).

Thermionix Industries Corp.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—The manufacture of a flexible heating tape. Proceeds—For construction of a machine, research and development, sales engineering and working capital. Office—500 Edgewood Avenue, Trenton, N. J. Underwriter—D. L. Capas Co., New York.

Thermo-Chem Corp. (9/11)
June 14, 1961 filed 130,000 common shares. Price—\$4.50.
Business—The manufacture of coatings for fabrics. Proceeds—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. Office — Noeland Ave., Penndel, Pa. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Thermotronics Corp., Inc.
July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—Research and development of electronic and electrical devices, principally an electronic water heater. Proceeds—For raw materials, plant and equipment, advertising research and development and working capital. Office—27 Jericho Turnpike, Mineola, L. I., N. Y. Underwriter—J. B. Coburn Associates, Inc., New York.

Thomas Jefferson Insurance Co.
July 27, 1961 ("Reg. A") 63,750 common shares (par \$1). Price—\$4.70. Proceeds—To increase capital and surplus. Office—457 Starks Bldg., Louisville. Underwriter—Stein Bros. & Boyce, Louisville.

Thoroughbred Enterprises, Inc. (9/1)
June 2, 1961 filed 85,000 common shares. Price—\$4.
Business—The breeding of thoroughbred race horses.
Proceeds—To purchase land, build a stable, and buy additional horses. Office—8000 Biscayne Blvd., Miami, Fla. Underwriter—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thriftway Foods, Inc.
July 13, 1961 filed 140,000 common shares, of which 66,915 shares are to be offered by the company and 73,085 shares by stockholders. Price—By amendment. Business—The wholesale distribution of food products to retail stores. Proceeds—For repayment of debt and general corporate purposes. Office—Church & Henderson Rds., King of Prussia, Pa. Underwriter—Kidder, Peabody & Co., New York (managing).

Thurow Electronics, Inc.
July 20, 1961 ("Reg. A") 41,500 class A common shares (par \$2.50) and 83,000 class B common shares (par \$1) to be offered in units consisting of one class A and two class B common shares. Price—By amendment. Proceeds—For repayment of loans and inventory. Office — 121 S. Water St., Tampa. Underwriter — Miller Securities Corp., Atlanta, Ga.

• Tinsley Laboratories, Inc. (8/28)
June 29, 1961 ("Reg. A") 100,000 capital shares (par 16% cents). Price—\$3. Proceeds—For repayment of loans, purchase of equipment and working capital. Office—2448 Sixth St., Berkeley, Calif. Underwriter—Troster, Singer & Co., New York.

July 28, 1961 filed 100,000 capital shares. Price — By amendment. Business—The production of self instructional courses and devices. Proceeds—For purchase of equipment, new products and other corporate purposes. Office—65 Prospect St., Stamford, Conn. Underwriter—F. L. Rossman & Co., New York (managing).

Transcontinental Investment Co.
March 15, 1961 (letter of notification) 120,000 shares of common stock (par \$1). Price—\$2.50 per share. Proceeds—For advances to subsidiaries. Office—278 S. Main Street, Salt Lake City, Utah. Underwriter—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

Trans-World Financial Co. (8/28)
June 26, 1961 filed 185,000 common shares of which 75,000 shares are to be offered by the company and 110,000 shares by stockholders. Price—By amendment. Business—A holding company with subsidiaries in the savings and loan, real estate and insurance fields. Proceeds — For repayment of loans and working capital. Office—9460 Wilshire Blvd., Beverly Hills. Underwriter—William R. Staats & Co., Los Angeles (managing).

Transvision Electronics, Inc. (9/5-8)
June 29, 1961 filed 140,000 common shares. Price—By amendment. Business—The manufacture of specialized

TV equipment. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—460 North Avenue, New Rochelle, N. Y. **Underwriter**—Adams & Peck, New York.

June 5, 1961 filed 100,000 common shares. Price-\$5. Business—Manufactures transformers for electronic equipment. Proceeds—For the repayment of debt, research and development, to finance a new subsidiary and for other corporate purposes. Office—3824 Terrance St., Philadelphia. Underwriter—Amos Treat & Co., New York (managing).

★ Tri-Chem, Inc.
Aug. 16, 1961 filed \$350,000 of sinking fund debentures, 6½% series due 1976 and 140,000 common shares to be offered in units consisting of \$100 of debentures and 40 common shares. Price—By amendment. Business—The manufacture of paints for hobbyists. Proceeds—For repayment of bank loans and working capital. Office—82 Main St., West Orange, N. J. Underwriter—P. W. Brooks & Co., Inc., New York (managing).

Tri Metal Works, Inc. (9/5)
June 29, 1961 filed 68,000 outstanding common shares to be offered by the stockholders. Price—At the market.
Business — The designing, converting and equipping trucks used in sale of ice cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. Proceeds—For the selling stockholders. Office—Bennard & Warrington Sts., East Riverton, N. J. Underwriters—R. L. Scheinman & Co., New York and Blaha & Co., Inc., Long Island City, N. Y.

Tri-State Displays, Inc.
July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). Price—\$1.15. Proceeds—For working capital.
Office—1221 Glenwood Ave., Minneapolis. Underwriter
—Naftalin & Co., Minneapolis.

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. Business — The manufacture of precision instruments and components. Proceeds—For equipment, inventory, the repayment of debt, and working capital. Office—Oak Drive and Cedar Place, Syosset, L. I., N. Y. Underwriter—Armstrong & Co., Inc., New York City.

Trinity Funding Corp. (9/1)
June 19, 1961 filed 250,000 common shares. Price—\$6.
Business—A consumer and industrial finance company.
Proceeds—For working capital. Office—1107 Broadway,
New York. Underwriter—Trinity Securities Corp., 40
Exchange Place, New York.

★ True Taste Corp.

Aug. 18, 1961 filed 200,000 common shares. Price—\$5.

Business — The installation and operation of plant to process frozen concentrated juices in bulk. Proceeds—
For installation of equipment and working capital. Office—1206 Tower Petroleum Bldg., Dallas. Underwriter—Dallas Rupe & Son, Inc., Dallas (managing).

Turbodyne Corp.

May 10, 1961 filed 200,000 shares of common stock. Price—\$2 per share. Business — The research, development, manufacturing and marketing of space and rocket engines, and related activities. Proceeds—For research and development, and working capital. Office—1346 Connecticut Ave., N. W., Washington, D. C. Underwriter—T. J. McDonald & Co., Washington, D. C.

Union Leagues, Inc.
June 28, 1961 filed \$700,000 of 7% subordinated sinking fund debentures due 1976 (with attached warrants) and 140,000 common shares to be offered in units consisting of 80 common shares and \$400 of debentures. Price—\$800 per unit. Business—The operation of bowling centers. Proceeds—For repayment of debt, acquisition of a warehouse and working capital. Office—11459 E. Imperial Highway, Norwalk, Calif. Underwriter—Holton, Henderson & Co., Los Angeles.

★ United Improvement & Investing Corp.

Aug. 18, 1961 filed \$2,500,000 of 6% convertible subordinated debentures due 1976 to be offered for subscription by holders of common stock and series A warrants on the basis of \$100 of debentures for each 70 shares held. Price—By amendment. Business—General real estate. Proceeds—For general corporate purposes. Office—25 W. 43rd St., New York. Underwriter—Sutro Bros. & Co., New York (managing).

• United Investors Corp. (9/18)
May 26, 1961 filed 76,109 shares of class A stock. Price
—\$10 per share. Business—The company plans to acquire 15 realty properties in eight states. Proceeds—For the repayment of debt, property acquisitions, and working capital. Office—60 E. 42nd Street, New York City. Underwriter—None.

★ United Scientific Laboratories, Inc.

Aug. 18, 1961 filed 360,000 common shares. Price—\$2.

Business—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. Proceeds—For repayment of debt, increase in sales personnel, tooling and production and working capital. Office—35-15 37th Ave., Long Island City. N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

U. S. Dielectric Inc.
July 24, 1961 ("Reg. A")99,930 common shares (par 10 cents). Price—\$3. Business—The manufacture and distribution of epoxy resins for potting uses. Proceeds—For repayment of loans, research and development, moving expenses and working capital. Office — 140 Adams St., Leominster, Mass. Underwriter — Richard Bruce & Co., Inc., New York.

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• U. S. Fiberglass Products Co. (8/25)

April 27, 1961 filed 200,000 shares of common stock. Price—\$2 per share. Business—The company plans to manufacture fiberglass shingles, beams, purlin and other materials. Proceeds—For working capital, inventory and equipment, and sales promotion. Office—Clarkville, Texas. Underwriter—Hauser, Murdock, Rippey & Co., Dallas, Texas.

U. S. Home & Development Corp. (8/25)
May 11, 1961 filed 300,000 shares of class A capital stock.
Price—To be supplied by amendment. Business — The planning, development and marketing of single-family-home communities in New Jersey. Proceeds—For the repayment of loans, purchase of land and development of properties. Office — 52 Neil Ave., Lakewood, N. J. Underwriter—Auchincloss, Parker & Redpath, Washington, D. C., and New York City.

July 31, 1961 filed 200,000 common shares, of which 160,-000 shares are to be offered by the company and 40,000 shares by a stockholder. Price—\$5. Business—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—60 Fallon Street, Oakland, Calif. Underwriter—Stanley Heller & Co., New York.

U. S. Plastic & Chemical Corp. (9/11-15)
July 11, 1961 filed 125,000 common shares. Price — By amendment. Business—The manufacture of plastic materials for use by the button and novelty industries. Proceeds—For the repayment of debt, expansion, and working capital. Office — Metuchen, N. J. Underwriter—Adams & Peck, New York.

United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. Price—\$10
per share. Business—A new mutual fund. Proceeds—For
investment. Office—20 W. 9th Street, Kansas City, Mo
Underwriter—Waddell & Reed, Inc., Kansas City, Mo.
Offering—Expected in early November.

Universal Electronics, Inc.
July 27, 1961 ("Reg. A") 213,000 common shares (par 10 cents). Price—\$1.15. Office—402 Minnesota Bldg., St. Paul. Underwriter—Brandtjen & Bayliss, St. Paul.

Universal Health, Inc. (9/11)
 June 14, 1961 ("Reg. A") 100,000 common shares. Price—\$3. Business — The operation of a chain of health studios. Proceeds—For expansion, advertising, financing

studios. Proceeds—For expansion, advertising, financing of time payment memberships and other corporate purposes. Office—15A South Main St., West Hartford, Conn. Underwriter—Cortlandt Investing Corp., 120 Wall St., New York.

• Universal Moulded Fiber Glass Corp. (9/12)
June 18, 1961 filed 275,000 outstanding common shares
to be sold by stockholders. Price—\$10. Business—The
manufacture of fiber glass reinforced plastic. Proceeds
—For the selling stockholders. Address—Commonwealth
Ave., Bristol, Va. Underwriter—A. G. Edwards & Sons,
St. Louis (managing).

June 28, 1961 filed 50,000 6% cumulative preferred shares (par \$10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. Price—\$15 per unit. Business—The publishing of magazines and paper bound books. Proceeds—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. Office—117 E. 31st Street, N. Y. Underwriter—Allen & Co., New York

Universal Surgical Supply Inc.

Aug. 1, 1961 filed 200,000 common shares, of which 100,-000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. Business — The sale of medicine, surgical and laboratory equipment manufactured by others. Proceeds—For the repayment of debt. Office — 9107 Wilshire Blvd., Beverly Hills, Calif. Underwriter — Dempsey-Tegeler & Co., Inc., St. Louis.

■ Vacu-Dry Co. (9/6)
June 27, 1961 filed 400,000 common shares. Price—By amendment. Proceeds — For expansion, repayment of bank loans and working capital. Office — 950 56th St., Oakland, Calif. Underwriter—Wilson, Johnson & Higgins, San Francisco (managing).

June 13, 1961 filed 120,000 common shares. Price—\$5. Business—The writing and selling of title insurance and the acting as trustee and escrow agent. Proceeds—For working capital, reserves and other corporate purposes. Office—1001 North Central Ave., Phoenix, Ariz. Underwriter — Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J.

Valve Corp. of America
July 26, 1961 filed 160,000 common shares, of which
75,000 shares are to be offered by the company and 70,000 shares by stockholders. Price—\$7. Business—The
manufacture of valves and accessories for aerosol containers. Proceeds—For repayment of debt and working
capital. Office—1720 Fairfield Ave., Bridgeport, Conn.
Underwriter — Lomasney, Loving & Co., New York
(managing).

Varitron Corp.

July 25, 1961 filed 100,000 shares of common stock. Price

\$_\$2. Business\$ — The manufacture of electronic items, principally TV and radio parts. Proceeds—For equipment, financing of merchandise, imports and accounts receivable and working capital. Office — 397 Seventh Ave., Brooklyn, N. Y. Underwriter — Kenneth Kass, New York.

Vending International, Inc.

July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). Price—\$4.24. Proceeds — For repayment of debt, expansion and a new building. Office—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. Underwriter—H. P. Black & Co., Inc., Washington, D. C.

Vic Tanny Enterprises, Inc. (9/5)
May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be offered for the account of the company and 200,000 shares by the present holder thereof. Price—To be supplied by amendment. Business—The operation of a national chain of gymnasiums and health centers for men and women. Proceeds—The company will use its part of the proceeds for the opening of new gymnasiums and the proceeds for the opening of new gymnasiums and the proceeds home exercise equipment. Office—375 Park Ave., New York City. Underwriter—S. D. Fuller & Co., New York City.

• Vinco Corp. (8/25)
May 19, 1961 filed \$2,000,000 of 6% convertible subordinated debentures due 1976. Price—At 100% of principal amount. Business—The production of gauges and measuring instruments and the manufacture of precision parts and subassemblies for the aircraft, missile and other industries. Proceeds—For the repayment of debt, expansion, working capital and reserves for possible future acquisitions. Office—9111 Schaefer Highway, Detroit, Mich. Underwriter—S. D. Fuller & Co., New York City (managing).

Vol-Air, Inc.
July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). Price—\$2.50. Business—The manufacture of a patented heat and mass transfer system. Proceeds—For equipment, filing of patents, inventory, advertising and promotion. Address—347 Madison Avenue, New York. Underwriter—Glass & Ross, Inc., 60 E. 42nd Street, New York 17, N. Y.

Voron Electronics Corp.

July 28, 1961 filed 100,000 class A shares. Price — \$3.

Business—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. Proceeds—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. Office — 1230 E. Mermaid Lane, Wyndmoor, Pa. Underwriters — John Joshua & Co., Inc., and Reuben Rose & Co., New York.

Wagner Baking Corp.

July 5, 1961 filed 50,637 outstanding common shares.

Price—At-the-market. Business—The manufacture of pies, cakes and other pastries and the distribution of frozen foods. Proceeds—For the selling stockholders.

Office—13 Vesey St., Newark. Underwriter—None.

Wainrite Stores, Inc. (9/18)
 June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The operation of discount merchandising centers. Proceeds—For repayment of loans, expansion and working capital. Office—691 E. Jericho Turnpike, Huntington Station, N. Y. Underwriter—Omega Securities Corp., New York.

Wald Research, Inc.
July 26, 1961 filed 65,000 common shares. Price — \$5.
Business — The manufacture of ground support equipment for the aircraft, misisle and related industries. Proceeds—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. Office—79 Franklin Turnpike, Mahwah, N. J. Underwriters — Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Waldbaum, Inc.
July 21, 1961 filed 183,150 common shares, of which 120,-000 shares are to be offered by the company and 63,150 shares by the stockholders. Price—By amendment. Business—The operation of a supermarket chain and the wholesaling of food products. Proceeds—For repayment of loans, expansion, inventory and other corporate purposes. Office—2300 Linden Boulevard, Brooklyn, N. Y. Underwriter — Shields & Co., New York (managing). Offering—Expected in late September.

Walter Sign Corp. (9/15)
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. Business — The manufacture and installation of highway signs. Proceeds—For the reduction of debt, sales promotion, inventory and reserves. Office—4700 76th St., Elmhurst, L. I., N. Y. Underwriter—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Washington Engineering Services Co., Inc. (9/1) June 29, 1961 filed 375,000 common shares. Price—\$1. Business—The servicing of manufacturing companies and engineering professions, through various training programs. Proceeds—For leasehold improvement, repayment of loans and working capital. Office—4915 Cordell Avenue, Bethesda, Md. Underwriter—None.

Water Industries Capital Corp.
July 21, 1961 filed 964,100 common shares. Price—\$11.
Business—A small business investment company. Proceeds—For investment. Office—122 E. 42nd Street, New York. Underwriter—Hornblower & Weeks, New York (managing).

Watson Electronics & Engineering Co., Inc. July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price — \$4. Proceeds—For manufacturing, laboratory and office facilities, equipment and working capital. Office—2603 S. Oxford St., Arlington, Va. Underwriter—Hodgdon & Co., Inc., Washington, D. C.

Wesco Industries, Inc.
July 19, 1961 ("Reg. A") 80,000 common shares. Price—
\$3. Business—The manufacture of pumps, mist coolant general tanks and machine component parts for the mis-

sile industries. **Proceeds**—For moving expenses, equipment, research and development, and working capital. **Office** — Burbank, Calif. **Underwriter** — First Madison Corp., New York.

West Coast Bowling Corp. (8/30)

May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. **Price**—\$9.75 per share. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (managing).

● Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. Price—\$1.50 per share. Proceeds—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. Office — 1201 Continental Bank Bldg., Salt Lake City, Utah. Business—Factoring. Underwriter—Elmer K. Aagaard, 6 Salt Lake Stock Exchange Bldg., Salt Lake City. Offering—Expected in late October.

• Western Union Telegraph Co. (9/8)
July 12, 1961 filed 1,075,791 common shares to be offered for subscription by stockholders on the basis of one new share for each six shares held of record Sept. 8, 1961, with rights to expire Sept. 25. Price—By amendment. Proceeds—For repayment of loans and expansion.

Office—60 Hudson St., New York. Underwriters—Kuhn, Loeb & Co. and Lehman Brothers, New York (managing).

• Wetterau Foods, Inc. (9/11)
June 27, 1961 filed 100,000 common shares. Price—By amendment. Proceeds—For new equipment and working capital. Office — 7100 Englewood Ave., Hazelwood, Mo. Underwriter — G. H. Walker & Co., Inc., New York (managing).

Wilco Commercial Corp.
July 21, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The financing of business institutions. Proceeds—For working capital. Office—350 Fifth Avenue, New York. Underwriter—A. J. Gabriel Co., Inc., New York.

Wisconsin Power & Light Co.
July 17, 1961 filed 15,000 cumulative preferred shares (par \$100) which are being offered to employees and preferred stockholders of record Aug. 10, 1961, with rights to expire Aug. 30, 1961. Price—\$100 plus accrued dividends. Proceeds—For construction. Office—122 W. Washington Avenue, Madison 1, Wis. Underwriters—Smith, Barney & Co., New York and Robert W. Baird & Co., Inc., Milwaukee (managing).

• Wonderbowl, Inc. (10/23)
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. Price—At par (\$2 per share). Proceeds—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. Office—7805 Sunset Blvd., Los Angeles, Calif. Underwriter—Standard Securities Corp., Los Angeles, Calif.

Wood Manufacturing Co., Inc.
July 24, 1961 ("Reg. A") 250,000 common shares (par \$1). Price—\$1.15. Proceeds—Foor working capital, repayment of loans, purchase of equipment, advertising and building construction. Office — 1035 Chestnut St., Conway, Ark. Underwriter—J. P. Penn & Co., Minneapolis.

World Scope Publishers, Inc.
July 31, 1961 filed 300,000 common shares. Price—By amendment. Business—The publishing of encyclopedias and other reference books. Proceeds—For repayment of debt, working capital and general corporate purposes. Office—290 Broadway, Lynbrook, N. Y. Underwriter—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc.
July 20, 1961 filed 130,000 common shares. Price—\$4.
Business—The operation of bowling centers. Proceeds—
For repayment of debt, expansion and working capital.
Office—2044 Chestnut Street, Philadelphia. Underwriter—Fraser & Co., Philadelphia.

June 28, 1961 filed 182,570 common shares of which 160,-000 shares are to be offered by the company and 22,570 shares by stockholders. Price—By amendment. Business—The leasing of truck trailers to railroads or customers of railroads. Proceeds—For repayment of debt and for working capital. Office—150 Causeway Street, Boston. Underwriter—Putnam & Co., Hartford, Conn. (managing).

July 18, 1961 filed 200,000 common shares. Price—By amendment. Business—The manufacture of silver-zinc primary and rechargeable batteries. Proceeds—For purchase and installation of equipment and property, working capital and other corporate purposes. Office—40-52 Leonard St., New York. Underwriter—Kidder, Peabody & Co., Inc., New York.

York Research Corp. (9/5)
June 28, 1961 filed 75,000 class A shares. Price—By amendment. Business—The testing of industrial and consumer products. Proceeds—For the establishment of a new laboratory and the purchase of equipment. Office—1 Atlantic Street, Stamford, Conn. Underwriter—Allen & Co., New York (managing).

July 28, 1961 filed 50,000 common shares, of which 30,-000 shares are to be offered by the company and 20,000 shares by a stockholder. Price—By amendment. Business

Continued on page 42

pected in mid-September.

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—The manufacture of oxygen systems and accessories for aircraft. Proceeds — For inventory, plant improvement, equipment and working capital. Office—113 Sheldon St., El Segundo, Calif. Underwriter—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Zion Foods Corp.

July 20, 1961 filed 110,000 common shares, of which 90,000 shares are to be offered by the company and 20,000
shares by a selling stockholder. Price—\$5. Business—
The processing of meat and poultry. Proceeds—For inventory and plant expansion. Office—482 Austin Place,
Bronx, N. Y. Underwriter—Finkle & Co., New York
(managing).

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder. Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

Adrian Steel Co.

June 30, 1961 it was reported that a "Reg. A" will be filed with the SEC shortly covering 100,000 common shares (par 50c). Price—\$3. Business—Automotive fabricating. Proceeds—To establish a new industrial air conditioner division. Office—Adrian, Mich. Underwriter—Morrison & Frumin, Inc., Detroit.

All-American Airways Co.
May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock.
Price—\$4 per share. Office—Danbury, Conn. Underwriter—Edward Lewis Co. Inc., New York City (managing).

Aluma-Rail, Inc.
Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. Price—\$3. Business — The manufacture of new color anodized aluminum chain link fencing. Proceeds—For inventory and plant expansion. Office—44 Passaic Avenue, Kearny, N. J. Underwriters—Omega Securities Corp., New York.

Appalachian Power Co.

Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell \$35,-000,000 to \$40,000,000 of bonds late in 1961 or early in 1962. Office—2 Broadway, New York City. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Bay State Electronics Corp.

Aug. 2, 1961 it was reported that this company plans to file a registration shortly covering about 270,000 common shares to raise some \$2,500,000. Business—Research, development and production of items in the fields of medical electronics, etc. Proceeds — For expansion and working capital. Office—43 Leon St., Boston, Mass. Underwriter—S. D. Fuller & Co., New York (managing).

Best Plastic Corp.

July 25, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 125,000 common shares. Price—\$3. Business—The manufacture of plastic party favors for children. Proceeds—For expansion. Office—945 39th St., Brooklyn, N. Y. Underwriters—S. B. Cantor Co., and John R. Maher Associates, New York.

Carbonic Equipment Corp.

June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. Price \$3. Proceeds

—For expansion of the business. Office—97-02 Jamaica Ave., Woodhaven, N. Y. Underwriter — R. F. Dowd & Co., Inc.

Jan. 24, 1961 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. Price—Approximately \$3 per share. Business—Book publishing. Office — 9 Rockefeller Plaza, New York City. Underwriter—To be named.

Contact Lens Guild, Inc.
June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. Business—The manufacture of contact lenses. Office—353 East Main St., Rochester, N.Y. Underwriter—To be named. Offering—Expected in Dec.

Cowles Magazine & Broadcasting, Inc.
May 3, 1961 it was reported that this corporation will issue stock later this year. The firm denied the report.
Business — Publishing and allied fields. Office — 488
Madison Ave., New York City. Underwriter—Goldman,
Sachs & Co., New York City (managing).

Delaware Power & Light Co.
Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about \$14,600,000. The last offering of common to stockholders in June, 1956, consisted of 232,520 shares offered at \$35 a share to holders

of record June 6, on the basis of one share for each eight shares held. Proceeds — For construction. Office —600 Market Street, Wilmington, Del. Underwriter—To be determined by competitive bidding. Probable bidders: Carl M. Loeb, Rhoades & Co., New York; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

★ Equitable Savings & Loan Association

Aug. 22, 1961 it was reported that about 255,000 shares of this firm's stock will be offered publicly in early September. Of the total, approximately 255,000 will be sold for the account of the company and 180,000 for certain stockholders. Price—To be determined. Business—A Savings and Loan Association with 13 offices in Oregon and Washington. Office—Portland, Ore. Underwriter—R. W. Pressprich & Co., New York City (managing). Note—The proposed offering is exempt from registration under terms of the Securities and Exchange Act of 1933.

Florida Power & Light Co.

May 11, 1961, it was reported that the company may issue bonds in the second half of 1961 to finance its current \$40,000,000 construction program. Office—25 S. E. 2nd Ave., Miami, Fla. Underwriter—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. Office—1148 Euclid Avenue, Cleveland, Ohio. Underwriters—To be named. The last financing by the company in September, 1959, was handled by Carl M Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

General Public Utilities Corp.

March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. Office—67 Broad St., New York 4, N. Y. Underwriter—None.

General Telephone Co. of California

Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about \$20,000,000 of bonds in December 1961. Office — 2020 Santa Monica Blvd., Santa Monica, Calif. Underwriters — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

General Telephone Co. of Florida

Aug. 15, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about \$15,000,000 of bonds in January 1962. Office—610 Morgan St., Tampa, Fla. Underwriters—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.

Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. Offices—Newark, N. J., and Buena Vista, Va. Underwriter—Sandkuhl and Company, Newark, N. J., and New York City. Offering—Expected in October.

• Georgia Power Co. (10/18)

Aug. 15, 1961 it was reported that this company plans to issue \$10,000,000 of first mortgage bonds in October. Office—Electric Bldg., Atlanta. Underwriters—(Competitive). Probable bidders: Harriman Ripley & Co., Inc; Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). Bids—Expected Oct. 18 at 12 noon at offices of Southern Services, Inc., 250 Park Ave., New York.

• Georgia Power Co. (10/18)

Aug. 15, 1961 it was reported that this company plans to sell \$7,000,000 of preferred stock in October. Office—Electric Bldg., Atlanta. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. Bids—Expected Oct. 18 at 11 a.m. (EDST) at offices of Southern Services, Inc., 250 Park Ave., New York.

Glenmore Distilleries Co.

Aug. 9, 1961, Joseph A. Engelhard, President, stated that the company plans to issue bonds later this year because it thinks that its \$12,000,000 in outstanding bank loans are "too heavy for out our volume." Business—The production and sale of domestic whiskeys. Office—660 South 4th Street, Louisville, Ky. Underwriter—To be named. The company has never issued bonds, but its last sale of debentures on Sept. 12, 1952 was underwritten by Glore, Forgan & Co., New York City and associates.

Gulf States Utilities Co. (10/3)
July 25, 1961 it was reported that this company plans to issue about \$15,000,000 of debentures. Office — 285
Liberty Ave., Beaumont, Texas. Underwriters — Competitive. Probable bidders: Salomon Brothers & Hutzler and Eastman Dillon, Union Securities & Co. (jointly);

Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. Bids—Oct. 3, 1961 at 11 a.m. Information Meeting—Sept. 28 (11a.m. EDST) at 70 Broadway (18th floor) New York.

Houston Fearless Corp.

Feb. 27, 1961, Barry J. Shillito, President, stated that the company plans to expand its Western Surgical and Westlab divisions into a new national medical and hospital supply concern. He added that 80% of the new firm's stock would be retained by Houston and the remaining 20% sold to the public. Office — 11801 W. Olympic Blvd., Los Angeles 64, Calif. Offering — Ex-

Hygrade Packing, Inc.
June 28, 1961 it was reported that this company plans to sell about \$500,000 of common stock. Business—The manufacture of industrial and consumer packaging. Proceeds—For expansion. Office—92-00 Atlantic Avenue, Ozone Park, N. Y. Underwriter—P. J. Gruber, N. Y.

Jan. 16, 1961 it was reported that this company plans the sale later this year of about \$8,500,000 of first mortgage bonds. Office—710 North Twelfth Blvd., St. Louis, Mo. Underwriter—Halsey, Stuart & Co. Inc., Chicago.

John's Bargain Stores Corp.

July 27, 1961 it was reported that this company plans to file a registration statement covering an undisclosed number of common shares. Business—The operation of a chain of discount stores selling household goods. Office—1200 Zerega Ave., Bronx, N. Y. Underwriter—To be named. Offering—Expected in early 1962.

Kansas Power & Light Co. (10/10)

Aug. 15, 1961 it was reported that this company plans to sell about \$13,000,000 of debentures in October. Office—800 Kansas Ave., Topeka. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Blyth & Co. Inc. Bids—Expected Oct. 10, 1961.

Macrose Industries
May 2, 1961 it was reported that this company, formerly named Macrose Lumber & Trim Co., Inc., plans a full filing of about 500,000 common shares (par \$1). Business—The company owns a chain of lumber yards on Long Island. Office—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y. Underwriter—To be named.

Mainco Electronics & Marine Development Corp. July 17, 1961 it was reported that a "Reg. A" will be filed shortly covering \$300,000 of common stock. Proceeds—For general corporate purposes. Address—Booth Bay Harbor, Maine. Underwriter—Nance-Keith Corp., New York City.

Metropolitan Edison Co.

Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about \$10,-000,000 of first mortgage bonds and \$5,000,000 of debentures in September. Office—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.

April 12, 1961 it was reported that this company plans to sell 150,000 common shares. Price — \$4 per share.

Business — Food distribution. Proceeds — For working capital. Office — 45-10 Second Ave., Brooklyn, N. Y. Underwriters—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Metropolitan Telecommunications Corp.

July 5, 1961 it was reported that a fully registered seconday offering of this firm's stock will be made in September. Office—Ames Court, Plainview, L. I., New York. Underwriter—M. L. Lee & Co., Inc., New York (managing).

Milo Components, Inc.

June 19, 1961 it was reported that this company plans to file a "Reg. A" covering 150,000 common shares (par 10-cents). Price—\$1. Business—The manufacture of components for the missile and aircraft industries. Proceeds—For expansion, equipment, and working capital. Office—9 Cleveland St., Valley Stream, N. Y. Underwriter—T. M. Kirsch & Co., New York.

Miss Pat, Inc.

Aug. 9, 1961 it was reported that a registration statement covering about \$1,000,000 of this company's outstanding common stock will be filed in September. Business—The manufacture of teen-age apparel. Proceeds—For the selling stockholders. Office—860 Los Angeles Street, Los Angeles, Calif. Underwriter—Mitchum, Jones & Templeton, Los Angeles.

★ Mutual Photocolor Laboratories, Inc.
Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. Business—The development of pictures and the sale of photographic equipment and supplies. Proceeds—For expansion. Office—29-14 Northern Blvd., Long Island City, N. Y. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during thier respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. Price — About \$20 per share. Proceeds—To repay a \$4.500,000 demand loan, and other corporate purposes. Office—Miami International

Airport, Miami 59, Fla. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

New England Power Co. (10/25)

Jan. 20, 1961 it was reported that this subsidiary of New England Electric System plans to sell \$20,000,000 of first mortgage bonds. Office—441 Stuart St., Boston 16, Mass. Underwriters — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. Bids—To be received on Oct. 25, 1961.

* New World Laboratories, Inc.

Aug. 22, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. Price—\$3. Business—The manufacture of cosmetics. Proceeds—For purchase of equipment and inventory and general corporate purposes. Office—Washington, D. C. Underwriter—East Coast Investments Co., Washington, D. C.

Northern Natural Gas Co.

March 15, 1961, it was reported that some \$12,000,000 to \$15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. Proceeds—For construction. Office—2223 Dodge St., Omaha 1, Neb. Underwriter—Blyth & Co., Inc., New York City (managing).

Pacific Gas & Electric Co. (9/26)

July 25, 1961 it was reported that this company plans to sell about \$60,000,000 of first and refunding mortgage bonds in September. Office—245 Market St., San Francisco. Underwriters — Competitive. Probable bidders: First Boston Corp., and Halsey, Stuart & Co., Inc. (jointly) and Blyth & Co., Inc. Bids—Expected on Sept. 26, 1961.

Pacific Lighting Corp.

Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for \$20,000,000 to \$40,000,000 of new financing in 1961 and that it probably would not be a common stock offering. Office—600 California St., San Francisco 8, Calif.

Pacific Telephone & Telegraph Co.

June 30, 1961 the company turned over its business and assets in Washington, Oregon and Idaho to Pacific Northwest Bell Telephone Co., a new subsidiary. The company plans to offer about 56% of the stock of Pacific Northwest to stockholders through subscription rights in late September with the balance being offered to them within three years. Pacific Northwest Bell expects to sell a large issue of debentures publicly in from six to nine months. Office — 140 New Montgomery St., San Francisco, Calif. Underwriter—(For the rights offering) None-However, A. T. & T., which owns about 90% of the Pacific Tel's outstanding shares plans to exercise its rights to subscribe to its pro rata share of the offering. (Debentures) Competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., and First Boston Corp.

Pan American World Airways, Inc.

May 8, 1961 it was reported that the CAB ordered this company to sell its 400,000 share holdings of National Airlines, Inc. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. Office—135 East 42nd St.. New York City Underwriter—Merrill Lynch, Pierce, Fenner & Smith, Inc. (managing).

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures in September, subject to FPC approval of its construction program.

Office—120 Broadway, New York City. Underwriters—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

* Penn Amusement Corp.

Aug. 22, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares. Price—\$3. Business—The company furnishes mobile (truck) amusement rides for children. Proceeds—To operate a new type truck and set up national distributorships. Underwriter—J. Laurence & Co., New York City.

Pennsylvania Power & Light Co.

April 11, 1961 it was stated in the 1960 annual report that this utility expects to spend \$140,000,000 on new construction in the 1961 to 1965 period, of which about \$56,000,000 will have to be raised through the sale of securities. However, the company now sees no necessity for the sale of equity securities, but expects to convert its present \$35,000,000 of bank loans to long-term debt when securities market conditions are favorable. Office—9th and Hamilton Streets, Allentown, Pa. Underwriters—To be named. The last four bond issues were sold privately. The last public offering of bonds on Oct. 4, 1945 was underwritten by Smith, Barney & Co.; First Boston Corp.; Dillon, Read & Co., Inc., and associates.

Penthouse Club, Inc.

June 1, 1961 it was reported that this company plans to issue 60,000 common shares. Price—\$5. Business—The operation of dining clubs. Proceeds—For expansion and working capital. Office—15th and Locust St., Philadelphia. Underwriter—To be named.

Pittsburgh Steel Co.

Aug. 15, 1961 it was reported that this company plans to raise about \$10,000,000 by sale of about 750,000 common shares to stockholders through subscription rights. Proceeds—For a capital improvement program. Office—1600

Grant Bldg., Pittsburgh 30, Pa. Underwriter—Kuhn, Loeb & Co., New York (managing).

• Public Service Co. of Colorado

Aug. 22, 1961 it was reported that the previously announced plan to sell about \$20,000,000 of common stock to stockholders through subscription rights had been postponed until about June 1962. Office—900 15th St., Denver, Colo. Underwriter — To be named. The last equity financing was handled on a negotiated basis by First Boston Corp.

• Public Service Co. of Colorado (10/2)

Aug. 22, 1961 it was reported that this company plans to sell \$30,000,000 of first mortgage bonds due 1991. Office—900 15th St., Denver, Colo. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Harriman Ripley & Co., Inc., Eastman Dillon, Union Securities & Co., Merrill Lynch, Pierce, Fenner & Smith Inc., and Dean Witter & Co. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc., and Smith, Barney & Co. (jointly); Lehman Brothers and First Boston Corp. (jointly). Bids—Oct. 2, 1961, 11:30 a.m. (EDST) at the office of Morgan Guaranty Trust Co., 54 Liberty St. (6th floor), New York. Information Meeting—Sept. 28, 10 a.m. (EDST) at above office of Morgan Guaranty Trust Co. (Mezzanine B).

Public Service Electric & Gas Co. (10/17)
Aug. 15, 1961 it was reported that this company plans to sell \$50,000,000 of debentures due Oct. 1, 1981 in October.
Office—80 Park Place, Newark 1, N. J. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co. Inc., Goldman, Sachs & Co., and Harriman Ripley & Co., Inc. (jointly). Bids—Expected on or about Oct. 17 at 11 a.m. (EDST).

* Radar Design Corp.

Aug. 22, 1961 it was reported that this company plans to sell about 15,000 common shares in the fiscal year ending June 30, 1962. Business—The company's products are used both as test instruments and as components in production of microwave systems. Proceeds—For working capital. Office—Pickard Drive, Syracuse, N. Y. Underwriter—The last public offering of stock in Dec. 31, 1960 was not underwritten.

Rochester Gas & Electric Corp. (11/14)

Aug. 15, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in November. Proceeds—For construction. Underwriter — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Brothers & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc., The First Boston Corp. Bids—Expected Nov. 14 at 11 a.m. (DST).

Sel-rex Corp.

May 16, 1961 it was reported that this firm is contemplating its first public financing. Business — Precious metals manufacturing. Office—75 River Road, Nutley, N. J. Underwriter—To be named.

Servonuclear Corp.

Aug 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—\$2. **Business**—The manufacture of medical electronic equipment. **Proceeds**—For expansion. **Office**—28-21 Astoria Boulevard, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

* Shank Industries, Inc.

Aug 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. Business—The re-manufacture and distribution of automobile parts. Proceeds—For the repayment of loans and expansion Office—Columbus, O. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Southwestern Public Service Co.

July 19, 1961, Herbert L. Nichols, Chairman, stated that the company plans to issue about \$13,000,000 of common stock in March 1962. The shares will be offered for subscription by common stockholders on the basis of one new share for each 20 shares held. Proceeds—For construction. Office—720 Mercantile Dallas Bldg., Dallas 1, Texas. Underwriter—To be named. The last rights offering to stockholders in January 1957 was underwritten by Dillon, Read & Co., New York City.

★ Subway Bowling & Recreation Enterprises, Inc. Aug. 22, 1961 it was reported that this company plans to sell about \$1,200,000 of common stock. Business—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. Proceeds—To build the first three centers. Office—New York City. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City.

Tampa Electric Co.

May 10, 1961 it was reported that this company plans to spend over \$80,000,000 on new construction in the next three years. No financing is planned this year but in 1962 the company may issue bonds or common stock. Office—111 No. Dale Mabry Hwy., Tampa, Fla. Underwriters—To be named. The last sale of bonds on June 29, 1960 was handled by Halsey, Stuart & Co. Inc., New York City. Other competitive bidders were Merrill Lynch, Pierce, Fenner & Smith Inc.; Goldman, Sachs & Co.; Stone & Webster Securities Corp. The last sale of common stock on Feb. 13, 1960 was made through Stone & Webster Securities Corp.

Teeco Automated Systems, Inc.

Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. Price—\$3. Business—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry.

Dividend Advertising Notices Appear on Page 16.

Proceeds — For expansion. Office — 42-14 Greenpoint Avenue, Long Island City, N. Y. Underwriter—Omega Securities Corp., New York.

Tower Construction Co.

July 5, 1961 it was reported that a registration statement will be filed shortly covering an undisclosed number of common shares. Price—\$10 per share. Business—The installation and maintenance of radar, micro-wave relay and broadcast antenna towers for military and commercial use. Office — 2700 Hawkeye Drive, Sioux City, Iowa. Underwriter — C. E. Unterberg, Towbin & Co., New York (managing).

Trunkline Gas Co.

March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about \$32,000,000 of bonds and \$10,000,000 of preferred stock in September. Office—120 Broadway, New York City. Underwriters—Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co., both of New York City (managing).

Universal Oil Products Co.

Jan. 17, 1961 it was reported that this company many require financing either through bank borrowings or the sale of debentures in order to further expansion in a major field which the company would not identify. No decision has been made on whether the product, named "Compound X," will be produced. Business—The company is a major petroleum and chemical research and process development concern. Office—30 Algonquin Road, Des Plaines, Ill. Underwriter—To be named. The company has never sold debentures before. However, the last sale of common stock on Feb. 5, 1959 was handled by Lehman Brothers; Smith, Barney & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., all of New York City.

* Valley Forge Industries, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. Business—The manufacture of specialty automobile parts and high speed machinery. Proceeds — For expansion. Office—Brooklyn, N. Y. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Jersey City, N. J.

Vector Engineering Inc.

Aug. 9, 1961 it was reported that a full registration will be filed shortly covering 100,000 common shares. Price—\$6. Business — Engineering and design services, the development of electromechanical and electronic devices for industry and the Federal Government, and the preparation of technical publications. Proceeds—For expansion. Office—155 Washington Street, Newark, N. J. Underwriter—Omega Securities Corp., New York.

Virginia Electric & Power Co. (12/5)
March 23, 1961, the company announced plans to sell \$15,000,000 of securities, possibly bonds or debentures.
Office — Richmond 9, Va. Underwriters — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salemon Brothers & Hutzler; Goldman, Sachs & Co. Bids—To be received on Dec. 5, 1961.

West Coast Telephone Co.

April 11, 1961 it was stated in the 1960 annual report that the company plans to spend \$12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. Office—1714 California Street, Everett, Wash. Underwriter—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

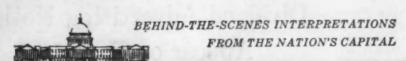
Western Union Telegraph Co.

Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about \$4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of \$100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for \$100,000 and WUI would sell \$4,500,000 of debentures or bonds. Office—60 Hudson Street, New York City. Underwriter—American Securities Corp. (managing).

Wisconsin Southern Gas Co.

Dec. 12, 1960 it was reported in a company prospectus that an undetermined amount of capital stock or bonds will be sold in 1961-1962. Proceeds—For the repayment of short-term bank loans incurred for property additions. Office — Sheridan Springs Road, Lake Geneva, Wis. Underwriter—The Milwaukee Co., Milwaukee, Wis. (managing).

WASHINGTON AND YOU



reau of the Census has taken a barges. census of a hundred and one things ranging from population, housing and agriculture to a census of expenditures and revenues to debts.

Thirteen years ago Congress census of transportation. However, no census has ever been conducted for the simple reason Congress never got around to appropriating any funds to conduct the census.

As nearly everyone knows billions of dollars are being spent each year on highways and streets, airports, and on rivers and waterways in general. There is no question that ours is the carrier group. Their net income most mobile country in all the has been rising generally, with world.

The Bureau of the Census, if Congress approves, plans to conduct a census of transportation in 1963, based on three specific things: a survey of passenger travel; a survey of trucks and bus transportation; and a survey of shipment of manufactured prodnets.

A subcommittee of the House Post Office and Civil Service Committee, headed by Representative John Lesinki, Democrat of Michigan, conducted some hearings that brought out some pertinent information. The hearings elicited some "pro" and "con" statements.

The transportation systems represent a \$100 billion business or approximately 20% of the Gross National Product. Studies on national transportation have pointed up the magnitude of the transportation industry.

While the railroad industry is a sick industry for some of the carriers, there is strong hope and belief that they are going to make comeback. The growth in the United States has always followed the development of our transportation.

Millions of commuters around the large metropolitain areas of the country are ready to testify the urban transportation problem is a critical one, and get-

There was testimony presented data served by a census of transportation. Some of the larger industries inland waterways. question the wisdom on the ground ernment interference in the afgenerally agreed that few shipplace.

Much to Gain

Frank L. Barton, deputy under secretary for transportation, Department of Commerce, believes that many benefits would accrue tions, James L. Bossemeyer, asto industry and government from knowledge gained by conducting a census of transportation including an improved basis for fore- States. It is estimated that the casting traffic volumes, and requirements for private and public transportation capacity. In the event of a shooting war, of course, Of this amount \$26.3 billion is there would be a mobilization of the nation's transportation capacity immediately.

organized transportation industry versity, maintains that such a in the United States today is census is long overdue. starving slowly, in a financial potential business goes to the un- Journal," backing the proposal,

WASHINGTON, D. C .- The Bu- regulated carriers like trucks and

Railroads Still Declining

"The railroad industry in 1961," said Mr. Sass, "will have suffered its sixth straight year of declining income. Its rate of return on authorized for the first time a investment, after depreciation, will be under 2%. And these numbers conceal the fact that the eastern roads as a group, will undoubtedly end the year with a deficit and that the earnings of other roads come, in large part, from other transportation activities. The plight of the railroad industry is the most serious of any of the industry segments.

> "But let us look at the motor some interruptions, at least over the last eight years. Yet, in 1960, their net fell by over 61% from the 1959 level. This can hardly be attributed to the effects of the recession in general business activity that set in in 1960."

> The witness told Congress that the domestic air carrier net income in 1960 dropped almost 97% from the 1959 level. All segments of transportation in 1960, except pipelines, were having their financial problems.

Census Not Wanted

While the railroads generally want a census of transportation, large segment of the trucking industry is skeptical of the census and the consequences it might nobody knows." bring in the way of legislation in the future. The American Trucking Associations, Inc., as an example, has some strong reservations about a census.

The New York Central System declares that the government's tually flying, the number of pasurgent need for a census of transportation, has been well docu- moved in these planes. mented. At the same time, J. M. Ostrow, director of market research for the N. Y. C., contends that the regulated transportation industry, particularly the railroads, have a most pressing need for a census. Factual data on the freight transportation market in the "behind the scene" interpretation for sound planning by rail carrier, he said. There are no useful covering the unregulated at the hearings that said flatly two-thirds portion of the freight that no useful purpose would be moved by highway as well as a substantial amount moved on the

"Under these conditions," said that it would be still another gov- Mr. Ostrow, "the railroads suffer a grave disadvantage. Our motor fairs of private business. It was and water competitors enjoy an unfair advantage in having access pers are in the transportation to detail rail traffic data while business by choice in the first we have nothing comparable covering their traffic.

Travel is big business in every state, if not every city. The executive director of the National Association of Travel Organizaserts that travel is one of the primary means of distributing the wealth produced in the United Northern Ohio Group of Invest- Hotel Commodore, people of this big country currently spend nearly \$30 billion a year for travel at home and abroad.

spent in the United States. Ernest W. Williams, professor transportation at Columbia Frederick N. Saas, manager, University's Graduate School of economic analysis, for the Penn- Business, advised the Post Office sylvania Railroad, appeared be- and Civil Service Subcommittee, fore the House committee in be- that the absence of transportation half of the Federal Statistics information is a handicap. Clif-Users' Conference, urging the cen- ford D. Clark, associate professor sus. Mr. Sass declares that the of economics, at New York Uni-

One business paper editor, C. B. sense, because the increasing Rawson of the "Commercial Car



"And he has the nerve to call his STOCK dull and sluggish!"

made this observation, among ment Bankers Association meetothers to Congress: ". . . no doubt ing. you are familiar with the fact that the trucking industry is second only to agriculture as an employer of people. It represents a huge segment of our economy, yet it is still very much 'the industry Sept. 13, 1961 (New York City)

The Air Transport Association of America said there are more operated by private citizens and business firms. Details are lacking to the number of aircraft acsengers, and the amount of goods Club.

Meantime, there appears to be a chance that for the first time in 1963 the Bureau of the Census will launch a significant and useful transportation census.

[This column is intended to reflect this country is totally inadequate from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

IN INVESTMENT FIELD

Sept. 7-8, 1961 (Chicago, Ill.) Municipal Bond Club of Chicago 25th Annual Field Day (Chicago Waterways Cruise, Sept. 7; Field Day Sept. 8th at Elmhurst Country Club). Sept. 8, 1961 (Cleveland, Ohio)

FOREIGN SECURITIES

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Sept. 13, 1961 (Denver, Colo.) ment Bankers Association meet- ing.

George E. Rieber Testimonial Dinner in the main ballroom of ing. the Waldorf-Astoria.

than 70,000 aircraft owned and Sept. 14-15, 1961 (Cincinnati, Ohio)

Cincinnati Municipal Dealers Group annual fall outing at Queen City Club and Kenwood Country

Sept. 15-17, 1961

Pacific Northwest Group of Investment Bankers Association, meeting at Hayden Lake, Idaho.

Sept. 20-21, 1961 (Omaha, Neb.) Nebraska Investment Bankers Association annual field day.

Sept. 21-22 (Atlanta, Ga.) Georgia Security Dealers Association annual summer outing.

Sept. 27, 1961 (New York City) Association of Customers Brokers annual dinner at the Waldorf Astoria.

Sept. 29, 1961 (Philadelphia, Pa.) Bond Club of Philadelphia 36th annual field day at the Philmont Country Club, Philmont, Pa.

Oct. 3, 1961 (Detroit, Mich.) Bond Club of Detroit Annual Fall Outing at Lochmoor Country, Grosse Pointe Woods, Mich.

Oct. 4, 1961 (New York City) New York Group of Investment Bankers Association meeting.

Oct. 7, 1961 (New York City) Security Traders Association of New York annual dinner dance at

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FOREIGN SECURITIES SPECIALISTS

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Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace

Oct. 9-10, 1961 (Denver, Colo.)

Oct. 9-12, 1961 (Rochester, N. Y.) National Association of Bank Women Annual Convention at the Sheraton Hotel.

Oct. 10, 1961 (Toronto) Canadian Group of Investment Bankers Association meeting.

Oct. 13, 1961 (Montreal, Canada) Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.) Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.)

American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.) National Security Traders Association Annual Convention at the

Palm Springs Riviera Hotel. Oct. 17, 1961 (Detroit, Mich.) Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania) Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee,

Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul) Minnesota Group of Investment Rocky Mountain Group Invest- Bankers Association annual meet-

Oct. 26, 1961 (Louisville, Ky.) Ohio Valley Group of Investment

Bankers Association annual meet-Nov. 26-Dec. 1, 1961 (Hollywood,

Fla.) Investment Bankers Association

Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City) National Association of Mutual Savings Banks 15th annual midyear meeting.

April 8-10, 1962 (San Antonio, Tex.)

Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.) National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.

Sept. 23-26, 1962 (Atlantic City, N. J.) American Bankers Association an-

nual convention. April 27-May 1, 1963 (Boston,

Mass.) National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

Prudential Investments

DALLAS, Texas-Prudential Investments, Inc. is conducting a securities business from offices in the Hartford Building. Clovis W. McAlpin is a principal of the firm.

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